

Commissioner Goldstone asked how long it will take to build the new scoreboard. Mr. Dolter replied that the fabrication time is about eight weeks and then the installation time is about two weeks on site. He added that although this is not long, given the schedule for school and Village approvals, they are still planning on a spring installation.

Commissioner Goldstone confirmed that the School Board is in agreement with this proposal. Mr. Dolter replied that the project has already been approved by the School Board and publicly bid. The previous proposal had not been approved by the School Board at the time it was presented to the Plan Commission.

Commissioner Bromberg commented that he is glad this project is moving forward. He reminded the Petitioners that in their previous proposal a reason for placing the new scoreboard in the north end was for safety so that school administrators and security had a better view of student activity around the campus from the press box. He asked if this is still a concern. Mr. Dolter replied that this proposal is for a much smaller scoreboard than last time with fewer sight line issues. Additionally, the tennis court fencing has been redone which also improves sight lines for safety. Mr. Ahmer reported that he is comfortable with the location of the scoreboard and it should not have any negative safety impacts.

Commissioner Bromberg commented that there had been no previous mention of movie nights and he was under the impression that any community events using the scoreboard would be during the day. Commissioner Bromberg asked if there are plans for movie nights or anything else with sound for long periods of time. Mr. Dolter replied that they intend to mirror the scoreboard use with the night use of the field lights for athletic contests and practices to acclimate athletes to contests, or athletic events that start during the day and go into the night. They are not seeking any change to these lighting limitations and Mr. Dolter does not believe there are specific plans for movie nights. Mr. Ahmer stated that he was listing things it could be used for if allowed.

Commissioner Bromberg asked staff if the Plan Commission is being asked to approve or would need to approve the sign height to allow for the Adams Field sign or a placeholder for it to be added later. Mr. Ryckaert replied that the Petitioners would have to come back to the Plan Commission for approval for this sign to be added to the scoreboard; it is very conceptual at this time and more details would be needed at approval time. Commissioner Bromberg added that he is fine with waiving the traffic study for this matter.

Chairman Berg commended the Petitioners for their modifications and adjustments in consideration of community feedback since the last new scoreboard proposal.

Mr. Nakahara reported that the Public Hearing on this matter will be December 10, 2020.

3) Continued Workshop Meeting to Discuss an Affordable Housing Inclusionary Zoning Ordinance

Mr. Nakahara welcomed Village Attorney Stewart Weiss who is well versed on the topic of affordable housing. Mr. Nakahara provided background on this topic, which is a continuation of this item from the September 10, 2020 meeting. Mr. Nakahara reviewed the July 13, 2020 memo to the Village Board from staff which provided a suggested framework for an inclusionary housing ordinance. The Board then sent the framework to the Plan Commission to review, discuss and make recommendations on the matter. The Board emphasized that an inclusionary

housing zoning ordinance is the appropriate way to promote affordable housing in the Village of Deerfield. The Village is not bound by state definitions or benchmarks of affordable housing and these can be established by the Village. The Village Board also recognizes that this topic has been discussed on and off for over ten years, however no ordinance has been adopted in part due to the complicated nature of such an ordinance. The Board is now looking to achieve the outcome of an inclusionary zoning ordinance in the simplest and most efficient manner. The proposed framework for discussion includes a sliding scale for the number of affordable units in any given development with a maximum of 10 percent affordable units for developments with 50 units or more. The Board also contemplated 120 percent of Area Medium Income (AMI) as a benchmark for affordability. This number has been proposed partly because it was successfully negotiated with the recently approved REVA residential development for their affordable units. The Board also expressed reluctance about some developer incentives including accepting a fee in lieu of affordable units. This was largely due to the bureaucratic process that would come with oversight and accepting large sums of money such as this. The Board recognized that density bonuses to developers for affordable units could lead to positive impacts. Regarding eligibility, the Board preferred priority be given to people who work in Deerfield but was adamant that no preference be given Village employees.

Commissioner Bromberg reported that he attended the last Village Board meeting where the new apartment development at the Rhapsody and Warehouse locations was being considered. The Plan Commission asked for two affordable units to be included in this proposal as this would be consistent with the framework being discussed. The Petitioners came back with two affordable units in their proposal to the Board, however Commissioner Bromberg reported that he was confused as Trustees Jester and Shapiro were not happy with two and wanted four affordable units. Trustee Jester commented that he might not approve the proposal with less than four affordable units which is 10 percent of the development, even though the development is under 50 units. Commissioner Bromberg shared that he followed up with Trustee Jester who also voted no on the recommendation of developing an inclusionary housing ordinance. Commissioner Bromberg shared that Trustee Jester feels that the Village should not have an ordinance and should instead negotiate for affordable units as each proposal comes before them. He believes that as a petitioner asks for variances or exceptions the Village can use this as a negotiating tool. In contrast Trustee Oppenheim feels that an ordinance would allow the Village to be more consistent predictable for developers and can avoid negotiating. Commissioner Bromberg asked the Commissioners where they stand on this and if the Village should have an ordinance to provide structure and consistency or if they should negotiate each one as they are proposed. Commissioner Bromberg stated that he thinks they should move forward with an ordinance and strive for consistency.

Chairman Berg agreed and stated that he thinks a good example of what they are looking to achieve is what they saw take place with the most recent proposal. The Village has no ordinance yet, but they informed the Petitioners it is forthcoming and per the framework being considered they would like to see two affordable units. Chairman Berg added that they should adopt an ordinance to be consistent so that developers know what to expect. And if an adjustment or variance is needed it can be addressed case by case.

Commissioner Keefe agreed that he is also in favor of an ordinance for consistency for developers and also so that residents know what is expected of developers and there can be no concern of special interests or playing favorites.

Commissioners Goldstone and Schulman agreed. Commissioner Schulman asked if in lieu of an ordinance the Village can have a formal recommendation to developers.

Mr. Weiss stated that when asking developers for concessions in line with a policy, the developer cannot say that they are being asked for an exaction. It is in a fair and uniform manner in line with an ordinance. This is why new developments and affordable housing go hand in hand. The pitfall of having guidelines instead of an ordinance is that different Plan Commissioners or Village Boards over the years may have different levels of commitment or different goals and this can lead to the chance of developers being treated differently. Mr. Weiss added that in his experience developers like predictability and to know when they are designing a development what the expectations are from the beginning. Negotiating at the last minute to change the density and scrambling to modify plans can be challenging. Mr. Weiss stated that the most effective solution and the most effective way to get a developer to bring a coherent plan is to have standards built into the codes.

Commissioner Stolman asked Mr. Weiss if not having an ordinance could open the Village up to legal recourse and if it could be seen as a conflict of interest or favoritism. Mr. Weiss replied that to avoid legal recourse it must be applied in a uniform manner. The equitable application is key as well as defining expectations to developers while planning and working with Village staff. Securing financing with clear and attainable thresholds is important for developers.

Chairman Berg guided the discussion by stating that the Plan Commission should make a recommendation to the Village Board with a framework for an ordinance and they can then discuss the recommendations. Mr. Lichterman agreed that the Plan Commission has consensus to have an ordinance and can further discuss the nuances.

Mr. Nakahara reviewed some of the Commission's objectives in this discussion to work towards the goal of achieving housing diversity. They are hoping to get a consensus on AMI and what is considered affordable. At the last discussion, the Plan Commission was open to a breakdown of tiers for AMI. The Commission also saw value in offering developer incentives and does not want to stifle development. Incentives discussed include impact fee waivers, permit fee waivers, waivers for density and parking and expedited permit review. The Commission was in consensus to keep affordable units indistinguishable from other housing. And also in consensus regarding eligibility to give priority to those who live and work in Deerfield priority but no priority to Village of Deerfield employees.

Commissioner Bromberg commented that although Lake Forest gives priority based on age to 65 and older he is not in favor of this for Deerfield. Commissioner Keefe agreed and stated that a primary goal is to increase workforce housing in Deerfield, and this would not achieve that. Chairman Berg agreed.

Mr. Nakahara asked if the Commission could comment on whether he provided an accurate summary of the September 10, 2020 meeting discussion. Commissioner Goldstone replied that she is not comfortable with the idea of parking relief in exchange for affordable units because parking can be a big issues in Deerfield. She agrees with other permit review and fee waivers but not parking waivers. Mr. Nakahara stated that they will further discuss incentives later in the discussion.

Mr. Nakahara asked the Commission to discuss AMI and what will determine an affordable unit. He stated that Highland Park and Lake Forest define what is considered a moderate-income

household and what is considered a low income household based on percentages of AMI. Chairman Berg asked if these numbers are adjusted or reviewed on an annual basis.

Mr. Weiss reported that AMI is a regional metric that is calculated every year for a metropolitan area. This area includes Chicago, Naperville and Joliet. Mr. Weiss emphasized that this regional area extending south to Joliet and west to Naperville is a very large area. The AMI number reflects that 50 percent of the people in this area make less than that and 50 percent make more. It is not a mean and does not reflect high earners that stretch the top half end and leave an unproportionally large number in the bottom half. Mr. Weiss commented that there is no one definition for what is affordable; what is affordable on the west side of Chicago versus what is affordable in Deerfield is different and AMI is the scale used to measure this on. The Commission can determine the percentage of AMI income that Deerfield is targeting to provide affordable housing for. He stated that the North Shore has higher home values and so to be able to attain what would be reasonably affordable housing in Deerfield is very different than what it might be in Joliet. In Joliet people who earn 50 or 35 percent of AMI might be eligible for affordable housing. Mr. Weiss reported that AMI is a figure that is updated on an annual basis by the Federal Department of Housing and Urban Development.

Mr. Nakahara reminded the Commission that they previously discussed a tiered system for AMI. Highland Park also uses a tiered system stating that one third of required affordable units in a development be at a certain AMI, a third at another AMI and the last third at another AMI. Deerfield can implement this, or a system with two tiers of AMI, or different AMI for owner occupied versus rental units. Mr. Lichterman emphasized that AMI can be set at what the Commissioners agree upon and can be different for more than one tier.

Mr. Nakahara stated that the Commission must also determine the requirement for the number of affordable units in a development. As an example Lake Forest states that if a new development has more than five attached units being built then it will require affordable units. If a development like Coromandel were built in Lake Forest no single-family homes would be required to be affordable, only condos and townhomes. Chairman Berg asked what would justify not including single-family homes in an ordinance. Mr. Nakahara commented that the Commission can discuss this but if the Commission only applied attached units in covered developments that required affordable units, and then if developments like Elysian Way or Samanthas Way were proposed, they would not be required to have any affordable units. Mr. Nakahara commented that there is a higher cost to build family structures compared to attached structures and while this may be an subjective view, it is a delicate balance that is trying to be achieved without stifling development. In attached housing developments, there is a lower cost to build and incentives could help make the units more affordable for a developer. Alternatively, Highland Park includes all housing types; detached and attached residential development.

Commissioner Bromberg commented that in the framework presented, Samanthas Way or Elysian Way would have both fallen into the category of 11 to 20 units which would have required one unit to be affordable. Elysian Way homes are priced at \$800,000 and up and if one had to be affordable at the price of \$360,000 while being indistinguishable from the others this could be difficult. Mr. Lichterman reported that the affordable homes can be 75 percent of the size of the other homes and that the Commission can determine how indistinguishable they must be. For example they do not need to have all high end finishes and appliances; this can be regulated to some degree. However, when building 250 apartment units it is much easier to give all units the same finishes and make the affordable units the ones with a less desirable view for example. For single-family homes, the Village can regulate how different the affordable homes

could be. Mr. Lichterman added that the Commission could determine to exclude (detached) single-family homes from this ordinance. An advantage is that the ordinance is much easier to finalize when only talking about apartments given that single-family homes have more complications with ownership. He emphasized that the ordinance does not have to be perfect to move forward, it can also be revisited, evaluated and amended in the future. At this time, the Board is seeking to have a substantial policy.

Commissioner Schulman asked if there are any possible locations in Deerfield where more than 10 single-family homes could be developed. Mr. Weiss replied that currently in Northbrook there is a golf course being redeveloped to housing and this could be possible in Deerfield, as well. Golf courses, country clubs, or corporations could be redeveloped into housing. Mr. Weiss added that he is not discounting the complexity of applying affordable standards to high income homes like those in Deerfield. However he is seeing that bit by bit the face of the suburbs changing which is partly driven by demographics and the products developers are proposing. Northbrook has recently had more than 1600 apartment units under consideration and Glenview has had more than twice that. Deerfield may have some of these opportunities, as well. The redevelopment of a golf course can have a potential 80 acres that could be redeveloped into a housing subdivision. Requiring single-family homes to be made affordable, places covenants on properties and upper limits of profits above equity that can be realized by a renter or owner. If a home is bought by a purchaser who qualifies on income and then goes to sell the home 20 years later, there will be market appreciation, but the home cannot be taken out of the affordable category. Legal tracking must be used to compensate the owner to allow them to realize the equity, get their market appreciation back and make them whole on any improvements made. There are formulas to do this which would be done by staff or expert consultants.

Commissioner Goldstone asked if there is a way to generically state that if a large single-family home development was proposed that the Village would expect some units to be made affordable. She commented that when there was talk of Briarwood being up for sale several years ago there was talk of residential there. She wants to be consistent with developers however the case of single-family home developments will be much less common than attached housing. Mr. Weiss replied that if there is not an ordinance on the books and a development comes in, it will be more challenging to get affordable units. If there is a clear standard, then the developer has an extraction.

Commissioner Goldstone stated that she is in favor of including single-family homes in the ordinance. Chairman Berg agreed and added that the percentage of units required could vary. Commissioner Bromberg commented that it could be challenging to change the threshold for when affordability kicks in for the type of housing. Mr. Lichterman added that he most commonly sees as a change in the AMI for single-family homes but not in the threshold for which affordability kicks in. The market trend for development currently is for large scale apartment buildings but that trend could change in the future.

Mr. Nakahara applied this to a recent example. The two lots at 464 and 502 Elm Street in Deerfield that formed one acre were bought by a developer who came before the Plan Commission in 2017 and proposed 12 units on the site: one 4-unit building and 4 duplexes. Per the guidelines being discussed they would be required to make one unit affordable. The Lake Forest ordinance would say they need 1.8 units, so two would be required. The Highland Park ordinance would require making 20 percent affordable, so 2.4 units would be 3 units or two units with a fee in lieu of the fraction of the unit. At the time this was development was being

proposed, the Commission said the proposal was too dense for the site so the developer then came back with two single-family homes, two duplexes and one 4-unit building. Per the guidelines being discussed, the development would not qualify to set aside any affordable units. The Highland Park ordinance would require two units and Lake Forest would require 1.2 units because there are eight attached units. Using the same example, The Commission did not recommend the 10-unit development so the developer came back a third time proposing six single-family homes. Under the guidelines being discussed for Deerfield, no units would need to be made affordable because development is under 10 units. The Lake Forest ordinance would also not require any units as the homes are all detached units. The Highland Park ordinance would require two or one and a fee in lieu of the fraction of the unit. Mr. Nakahara shared this to emphasize that even though the Village is built out, there remain opportunity for residential development. Mr. Lichterman stated that another example is Coromandel which is a mixture of three housing types and if single-family homes were excluded from affordability then only townhomes and condos would be required in a new development such as this.

Commissioner Bromberg asked if 10 percent of units were required to be affordable in a mixed development, would they have to be proportionate with the housing types or could the developer make all affordable units be apartments. Mr. Lichterman replied that the Plan Commission can make that determination and if it is not defined the developer will surely apply all affordable units to apartments or other attached housing. Commissioner Bromberg commented that he is in favor of the framework presented for the sliding scale and would like to require that the affordable units be made proportionate to the housing types in a development.

Mr. Nakahara summarized that the Commission still needs to decide on the threshold for affordable units, how to apply to AMI, how to prioritize eligibility and incentives.

Commissioner Bromberg proposed that 120 percent of AMI be used for smaller developments but once a development is over 50 units which would require more affordable units, then he is in favor of half of the affordable units being at 120 percent of AMI and half being at 100 percent of AMI. For example in a development with 10 percent of the units required to be affordable, 5 percent would be at 120 percent of AMI and 5 percent would be at 100 percent of AMI. Commissioner Schulman commented that he likes this proposal. Commissioner Bromberg added that this should only be for rental units and owner occupied units should stay at 120 percent of AMI. Mr. Lichterman confirmed that if a rental development were 49 units that all affordable units would be at 120 percent of AMI and if it were 50 units or more, this two tiered scale could be used. And owner occupied units be kept in one tier at 120 percent of AMI.

Commissioner Schulman asked if it is equitable to have different requirements for owners versus renters. Mr. Lichterman added that there are areas the Commission can distinguish renters from owners despite the land use and property use being the same. Mr. Weiss confirmed that different AMI tiers for owners versus renters can be used as it is recognized that owners need a certain amount of income stability to maintain property. They do not want to set somebody up for failure who may not be able to keep up with a home's mortgage or upkeep. He added that it may be easier to fit lower income rental units into a high median income community like Deerfield than owner occupied units. Commissioner Schulman questioned whether they should apply affordable housing to owner occupied units. Mr. Lichterman replied that he thinks there could be problems by only offering affordable housing to renters. Mr. Weiss confirmed that it is not a legal issue, it is a policy decision for the Commission to make. He added that most communities do include owner occupied units. Mr. Lichterman commented that AMLI at 250 units and Woodview at 185 units are both luxury rental apartments that would, if

proposed with this ordinance in place, require 10 percent of the units to be affordable. He asked if the same developments were condos would the Commissioners be comfortable saying that no units needed to be affordable. Mr. Weiss stated that he would do more research to confirm there would be no legal issues with this as all other communities he is familiar with have applied affordable housing to rental and owner occupied units and have changed the AMI for owner occupied units. Commissioner Bromberg reiterated that he would like to make AMI higher for owner occupied units, but he would like to make the number of required affordable units the same for owner versus renter occupied.

Commissioner Keefe agreed that he is in favor of including owner occupied units and asked if the Village Board was also in favor of this. Mr. Lichterman replied that they seemed to be in favor of it but wanted the Plan Commission to determine the different requirements for each type of unit. Commissioner Schulman commented that he would be in favor of affordable units for apartments and owner occupied condos, but he is not sure about single-family homes.

Commissioner Schulman asked if the affordable homes would be kept affordable in perpetuity or for a term of say 25 or 30 years for owner occupied or rental units. Mr. Lichterman reported that the affordable units for the new REVA development will be kept affordable for 25 years as this was agreed upon in negotiations with REVA. It is very common to keep units affordable in perpetuity because if someone is living in there it could be challenging for their rent to go to market rate on year because the timing is up. For owner occupied homes it is common to keep them in perpetuity or for a period of 99 years. Commissioner Bromberg stated that he is in favor of perpetuity. Chairman Berg and Commissioner Goldstone agreed. Mr. Nakahara commented that the Commission should consider their objective to maintain affordable housing and continually integrate the housing stock when contemplating these decisions. Mr. Weiss shared that he sees perpetuity more often so as to not catch people off guard and to avoid the administrative difficulty of dealing with units sunsetting at different times. Mr. Nakahara summarized that the Commission is in favor of perpetuity.

Chairman Berg asked if the Commission is in agreement on the sliding scale and the thresholds for affordable units to kick in. He reviewed that it is proposed that are no affordable units required for a development of 1 to 10 units, 11 to 20 units mandates one, 21 to 49 units mandates five percent and 50 units or more mandates 10 percent. Mr. Lichterman explained that this proposal was made in consultation with the Mayor and presented to the Board. The Board reviewed it and sent it to the Plan Commission for review and to create a first draft. Commissioner Schulman pointed out that the middle two sized developments (from scale in staff report) of 11 to 20 requiring one unit and 21 to 29 requiring five percent would both end up requiring one unit. He proposed changing the scale to increase the threshold for development to 11 to 30 units would require one affordable unit or you keep the threshold for developments of 11 to 20 units requiring one affordable unit and add two affordable units for developments of 21 to 29 units and five percent for development of 30 units and over. Commissioner Bromberg suggested one affordable unit for developments of 11 to 29 and 5 percent for 30 and over.

Mr. Lichterman asked if all are in agreement that for a development of over 50 units 10 percent affordable is appropriate. Commissioner Bromberg agreed that it is and thinks that Highland Park's and Lake Forest's requirement is too high and might discourage developers. Chairman Berg and Commissioner Keefe agreed that 10 percent is appropriate. Mr. Weiss commented that Northbrook is considering 15 percent. Commissioner Stolman commented that he would like to know what percent has stifled development. Mr. Weiss replied that we do not know what developments weren't built. He added that developers like clear guidelines and can consider

these when deciding which community to build in. Commissioner Schulman commented that if a developer was going to build 50 units they may choose to build 49 to avoid having more affordable units.

Commissioner Bromberg commented that more tiers makes it more complicated. Mr. Weiss stated that there are different ways to approach this with rounding up or down or giving the option for a developer to pay a fee in lieu of a fraction and this can be defined in the ordinance. Mr. Lichterman commented that 10 percent affordability seems to be the general consensus with the Commission. And Deerfield can be more competitive for developers shopping around the North Shore hearing that neighboring communities require 15 and 20 percent. He added that this can always be revised in the future. He would like to move the ball forward and asked the Commission to move on and discuss eligibility.

Commissioner Bromberg suggested that for eligibility, priority be given to people that live or work in Deerfield without favoring public versus private sector employees. He does not want to give priority to any age group. Chairman Berg confirmed that people who live or work in Deerfield would be prioritized in line but anyone with eligible income could apply. And as long as their income still qualifies them, even if they no longer work in Deerfield they would still qualify to stay in an affordable unit. The priority is only given for the initial lease to jump to the front of the line. Mr. Weiss shared that it is common to verify income and recertify eligibility every three years. Priority would be given for initial lease and would have no impact on recertifying eligibility. Commissioner Goldstone questioned giving people who already live in Deerfield priority, especially if they do not work in Deerfield. Mr. Lichterman replied that he believe the intent was that if someone works in Deerfield they should be able to afford to live in Deerfield and have a shorter commute. Commissioner Bromberg commented that if it were priority for people living in Deerfield this could apply to college graduates living with their parents and working downtown. Mr. Lichterman commented that this was not necessary the policy objective and that Lake Forest gives priority to people living there already because they are trying to keep aging seniors to stay in the community. Commissioner Bromberg suggested only giving priority to people who work in Deerfield. Chairman Berg agreed. Mr. Weiss commented that giving priority to people who work in the community and already have a stake in the community and to increase their quality of life by a shorter commute is a wonderful policy objective. All Commissioners agreed.

Mr. Lichterman suggested that the Commission continue the discussion with incentives at a future meeting. Incentives is the last topic for consideration, but it is lengthy considering density bonuses, fees in lieu of affordable units and other topics. Mr. Ryckaert stated that given the future meeting agendas this would most likely have to be continued to January.

~~Document Approval~~

- ~~1) Report and Recommendation of the Plan Commission on a Finding of Substantial Conformance for the Final Development Plan for the Zion Woods Residential Development at 10 Deerfield Road (Zion Lutheran Church, Brinshore Development, & Housing Opportunity Development Corporation)~~
- ~~2) Report and Recommendation of the Plan Commission on the Request for a Special Use to Permit an In-Home Child Day Care Establishment for up to 12 Children at 114 Pine Street and a Text Amendment to Article 2.04-A,1. for an In-Home Child Day Care to Not Exceed 40 Percent of the Total Habitable Floor Area of all Permitted Structures~~
- ~~3) October 8, 2020 Plan Commission Minutes~~