



CITY OF HIGHLAND PARK

1707 ST. JOHNS AVENUE
HIGHLAND PARK, ILLINOIS 60035
(847) 432-0800



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Mary Ellen Vanderventer Recorder
File **7611510**

CITY OF HIGHLAND PARK
COUNTY OF LAKE
STATE OF ILLINOIS

} SS

I, Ashley Palbitska, Deputy City Clerk of the City of Highland Park, in the County of Lake, State of Illinois, do hereby certify that I am keeper of the records, ordinances, files and seal of said City, and;

I HEREBY CERTIFY that the attached records are a true and correct copy of ORDINANCE O72-2019, titled "AN ORDINANCE AMENDING ARTICLE XXI OF "THE CITY OF HIGHLAND PARK ZOING ORDINANCE OF 1997," AS AMENDED, REGARDING INCLUSIONARY HOUSING", passed and approved by the City of Highland Park City Council on OCTOBER 28, 2019, all as appears from the records in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of said City of Highland Park, this 14th day of November, 2019.

Ashley Palbitska, Deputy City Clerk



Return To:

City of Highland Park
Deputy City Clerk
1707 St Johns Avenue
Highland Park, IL 60035



1602

CITY OF HIGHLAND PARK

ORDINANCE NO. 072-2019

AN ORDINANCE AMENDING ARTICLE XXI OF
"THE CITY OF HIGHLAND PARK ZONING ORDINANCE OF 1997," AS
AMENDED, REGARDING INCLUSIONARY HOUSING

WHEREAS, Article XXI of the "City of Highland Park Zoning Ordinance of 1997," as amended ("*Zoning Code*"), regulates the provision of inclusionary housing in the City; and

WHEREAS, the City Council desires to comprehensively amend Article XXI of the Zoning Code in order to update and modify the provisions concerning: (i) payment of fees in lieu of provision of inclusionary housing units; (ii) bonus market-rate units allowed within developments that include inclusionary housing units; (iii) amenities to be provided for inclusionary housing units; (iv) proportional requirements for the provision of inclusionary housing units; and (v) other miscellaneous requirements of the City's inclusionary housing program (collectively, the "*Proposed Amendments*"); and

WHEREAS, public hearings by the Plan and Design Commission to consider the Proposed Amendments to the Zoning Code were duly advertised in the Highland Park News on several dates between December 21, 2018, and April 1, 2019, opened on March 19, 2019, continued on April 16, 2019, and concluded on May 21, 2019, and findings of fact in support of the Proposed Amendments were approved by the Plan and Design Commission on May 21, 2019 (Public Hearings No. 17-10-ZTA-004 and 19-02-ZTA-001) in accordance with and pursuant to Section 150.1506 of the Zoning Code; and

WHEREAS, the City Council has considered the Proposed Amendments and the recommendation of the Plan and Design Commission, and has determined that adoption of the Proposed Amendments, as set forth in this Ordinance, will serve and be in the best interest of the City and its residents;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF HIGHLAND PARK, LAKE COUNTY, ILLINOIS, as follows:

SECTION ONE: RECITALS. The foregoing recitals are incorporated into, and made a part of, this Ordinance as findings of the City Council.

SECTION TWO: INCLUSIONARY HOUSING. Article XXI, titled "Inclusionary Housing," of the Zoning Code is hereby amended in its entirety, and will hereafter read as set forth in Exhibit A attached to and, by this reference, made a part of this Ordinance.

SECTION THREE: PUBLICATION. The City Clerk is hereby directed to publish this Ordinance in pamphlet form pursuant to the Statutes of the State of Illinois.

SECTION FOUR: EFFECTIVE DATE. This Ordinance will be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

[SIGNATURE PAGE FOLLOWS]

AYES: Mayor Rotering, Councilmen Stolberg, Stone, Kaufman, Blumberg, Knobel

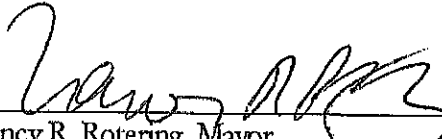
NAYS: Councilman Holleman

PASSED AS AMENDED: October 28, 2019

ADOPTED AS AMENDED: October 28, 2019

PUBLISHED IN PAMPHLET FORM: October 29, 2019

ORDINANCE NO. 072-2019



Nancy R. Rotering, Mayor

ATTEST:



Ghida S. Neukirch, City Clerk

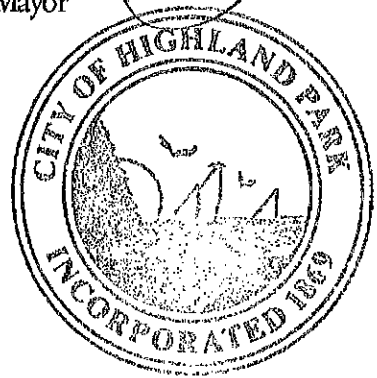


EXHIBIT A

ARTICLE XXI. - INCLUSIONARY HOUSING

Sec. 150.2100. - Policy.

The purpose of this Code is to promote the public health, safety, and welfare by promoting housing of high quality located in neighborhoods throughout the community for households of all income levels, ages and sizes in order to meet the City's goal of preserving and promoting a culturally and economically diverse population in the City. Based upon the review and consideration of reports and analyses of the housing situation in the City, it is apparent that the diversity of the City's housing stock has declined as a result of increasing property values and housing costs and a reduction in the availability of affordable housing; that demolition of certain existing dwellings has led to a reduction in the diversity of the City's housing stock and affordable housing opportunities, and that subsequent redevelopment has in many cases contributed to property value increases that further the difficulty of providing affordable housing in the City; and that, with the exception of housing developed in partnership with the City or its Housing Commission, the privately developed new residential housing that is being built in the City generally is not affordable to low- and moderate-income households. The City recognizes the need to provide affordable housing to low- and moderate-income households in order to maintain a diverse population and to provide housing for those who live or work in the City. Without intervention, the trend toward increasing housing prices will result in an inadequate supply of affordable housing for City residents and local employees, which will have a negative impact upon the ability of local employers to maintain an adequate local work force and will otherwise be detrimental to the public health, safety, and welfare of the City and its residents. Since the remaining land appropriate for new residential development within the City is limited, it is essential that a reasonable proportion of such land be developed into housing units affordable to low- and moderate-income households and working families.

While this Article provides specific alternatives to the production of on-site affordable housing units, the intent and preference of this Code is for the provision of permanently affordable housing units constructed on-site and privately produced, owned, and managed.

The provisions of this Code may be supplemented by a set of Administrative Guidelines adopted pursuant to Section 150.2185 of this Code.

Sec. 150.2105. - Covered Development Projects.

(A) *General.* The provisions of this Code shall apply to all developments that result in or contain five or more residential dwelling units. The types of development subject to the provisions of this Code include, but are not limited to, the following:

(1) A development that is new residential construction or new mixed-use construction with a residential component.

(2) A development that is the renovation or reconstruction of an existing multiple family residential structure that increases the number of residential units from the number of units in the original structure.

(3) A development that will change the use of an existing building from non-residential to residential or that will change the type of residential use.

(4) A development that includes the conversion of rental property to private ownership of individual housing units.

(B) *Development on Multiple Parcels.* For purposes of this Code, a development that occurs on adjacent parcels under common ownership shall be considered one development.

Sec. 150.2110. – General Affordable Housing Requirements.

All covered development projects within the City shall provide affordable residential units within the covered development, in accordance with Section 150.2115 of this Code, unless and to the extent the City approves an exception to allow either: (A) the provision of affordable residential units at an off-site location, in accordance with Section 150.2120 of this Code; (B) a cash payment in lieu of providing affordable housing units, in accordance with Section 150.2125 of this Code; or (C) the dedication of land to the Highland Park Housing Commission, in accordance with Section 150.2130 of this Code. The percentage of residential units within the covered development project that are affordable residential units must not be less than approximately 15%, calculated pursuant to Section 150.2115 of this Code.

Sec. 150.2115. – Provision of Affordable Housing Units.

(A) *Calculation of Units Required.* Unless an exception is approved pursuant to Sections 150.2120, 150.2125, or 150.2130 of this Code, the applicant for a covered development project must satisfy the requirements of this Article XXI by providing affordable housing units within the development, calculated as follows:

(1) The applicant must identify the number of dwelling units proposed to be constructed as part of the covered development project, which quantity must comply with the applicable regulations set forth in Article VII of this Chapter 150 and the other applicable building and zoning regulations of this Code.

(2) Of the quantity of dwelling units identified pursuant to Section 150.2115(A)(1) of this Code, 20 percent must be designated as affordable housing units. If the 20 percent calculation performed pursuant to this Section 150.2115(A)(2) yields a fractional number, the applicant must either: (a) provide a full affordable housing unit; or (b) pay a fee-in-lieu for that fractional unit, in the corresponding fractional amount of the per unit payment amount established pursuant to Section 150.2125(B) of this Code.

(3) The applicant may then incorporate 1.5 additional dwelling units into the covered development project for each affordable unit provided pursuant to this Section 150.2115 (i.e. the applicant may incorporate the additional dwelling units, notwithstanding the number identified pursuant to Section 150.2115(A)(1) of this Code or any maximum density regulation set forth in another provision of this Code).

(B) *Compliance with Requirements.* Affordable housing units provided by the applicant must comply with the requirements set forth in Sections 150.2150 through 150.2175 of this Code.

Sec. 150.2120. – Off-Site Affordable Housing Units in-Lieu of On-Site Affordable Housing Units.

(A) *General Applicability.* In lieu of providing the affordable housing units required pursuant to Section 150.2115(A) of this Code within the covered development, the applicant may provide some or all of the required units at an alternate off-site location within the City, but only upon the approval of the City Council, after consideration of a recommendation from the Housing Commission, and after making a determination that provision of the required units at an alternate off-site location will further affordable housing opportunities in the City to an equal or greater extent than through provision of affordable units within the covered development.

(B) *Compliance with Requirements.* Affordable housing units provided by the applicant must comply with the requirements set forth in Sections 150.2150 through 150.2175 of this Code.

Sec. 150.2125. - Cash Payment in-Lieu of Affordable Housing Units.

(A) *General Applicability.* The applicant may make a cash payment in lieu of constructing some or all of the required affordable housing units otherwise required pursuant to Section 150.2115 of this Code, but only if either: (1) the covered development consists solely of 19 or fewer single-family detached dwelling units; or (2) the City Council approves such payment, after consideration of a recommendation from the Housing Commission, and after making a determination that such a payment will further affordable housing opportunities in the City to an equal or greater extent than through provision of affordable units pursuant to Section 150.2115 of this Code.

(B) *Amount and Use of Cash in Lieu.* For covered developments consisting solely of 19 or fewer single-family detached dwelling units, the per unit payment amount shall be in the amount set forth in the Annual Fee Resolution. For all other covered developments, the per unit payment amount shall be not less than the amount set forth in the City's Annual Fee Resolution. The minimum per unit amount shall be determined by the City Council, based upon an estimate of the cost of providing an affordable housing unit, and shall be reviewed and modified periodically by the City Council. All cash payments received pursuant to this Article shall be deposited directly into the Affordable Housing Trust Fund for purposes authorized under Section 33.1133 of this Code.

(C) *Calculation.* The total in lieu payment amount shall be equal to the per unit amount established by the City pursuant to Section 150.2125(B) of this Code multiplied by 20 percent of the number of units proposed in the covered development, less the per unit amount multiplied by the number of affordable housing units actually provided by the applicant pursuant to Section 150.2115 of this Code.

(D) *Timing of Payment.* No building permits will be issued for a covered development project that utilizes the provisions of this Section 150.2125 prior to the payment

of that percentage of the required total in lieu payment that is equal to the percentage of the dwelling units in the covered development project for which building permits have been or are being issued.

Sec. 150.2130. - Dedication of Land.

In lieu of providing affordable units pursuant to Section 150.2115 of this Code, and in lieu of making a cash payment pursuant to Section 150.2125 of this Code, the applicant may dedicate land to the Highland Park Housing Commission, or the Commission's not-for-profit designee, but only if: (a) the City Council approves such dedication, after consideration of a recommendation from the Commission and after making a determination that dedication of land will further affordable housing opportunities in the City to an equal or greater extent than through provision of affordable units pursuant to Section 150.2115 of this Code; and (b) the applicant dedicates a quantity of land sufficient for developing a quantity of dwelling units equal to 20 percent of the number of units in the covered development project.

Sec. 150.2135. - Application and Inclusionary Housing Plan.

(A) *Application.* For all covered development projects, the Applicant shall file an application for approval thereof on a form provided and required by the City. The application shall require, and the Applicant shall provide, among other things, general information about the nature and scope of the covered development, as well as such other documents and information as the Director of the City's Department of Community Development, or his or her designee ("Director"), may require. The Director shall also have the authority to require, as part of the application submittal, such portions of the inclusionary housing plan required under Section 150.2135(B) of this Code as the Director shall deem necessary to properly evaluate the proposed covered development under the requirements and provisions of this Code.

(B) *Inclusionary Housing Plan.* As part of the approval of a covered development project, the Applicant shall present to the Housing Commission and the City Council an inclusionary housing plan that outlines and specifies the covered development's compliance with each of the applicable requirements of this Code, in accordance with the following:

(1) *Required Submittals for Inclusionary Housing Plan.* The plan shall specifically contain, at a minimum, the following information regarding the covered development project;

- (a) *Preliminary Plan.*
 - (i) A general description of the development, including whether the development will contain rental units or individually owned units, or both;
 - (ii) The total number of market rate units and affordable units in the development;
 - (iii) The total number of attached and detached residential units;

- (iv) The number of bedrooms in each market rate unit and each affordable unit;
- (v) The area of each market rate unit and each affordable unit;
- (vi) The location within any multiple-family residential structure and any single-family residential development of each market rate unit and each affordable unit.
- (vii) Floor plans for each affordable unit;
- (viii) The amenities that will be provided to and within each market rate unit and affordable unit; and
- (ix) The pricing for each market rate unit and each affordable housing unit.

(b) *Final Plan.*

(i) All of the information required for the preliminary Inclusionary Housing Plan pursuant to Section 150.2135(B)(1)(a) of this Code;

(ii) The phasing and construction schedule for each market rate unit and each affordable unit;

(iii) Documentation and plans regarding the exterior and interior appearances, materials, and finishes of the development and each of its individual units;

(iv) A description of the marketing plan that the applicant proposes to utilize and implement to promote the sale or rental of the affordable units within the development; and

(v) A description of the specific efforts that the applicant will undertake to provide affordable housing units to households pursuant to the priorities set forth in Section 150.2155 of this Code.

(2) *Review Procedure.*

(a) *Preliminary Plan.*

(i) **Housing Commission Review.** Within 60 days after the filing of a complete preliminary Inclusionary Housing Plan, the Housing Commission shall review the Inclusionary Housing Plan, and shall recommend either the approval (with or without modifications) or the rejection of the Inclusionary Housing Plan. The Housing Commission shall transmit its findings of fact and recommendation to the City Council. The failure of the Housing Commission to provide a recommendation within such 60 day period, or such further time to which the applicant may, in writing, agree, shall be deemed a recommendation against the approval of the Inclusionary Housing Plan.

(ii) City Council Consideration.

(A) Upon receipt of the Housing Commission recommendation pursuant to Section 150.2135(B)(2)(a)(i) of this Code, the City Council may, by resolution duly adopted, approve or reject the Preliminary Inclusionary Housing Plan.

(B) Approval of the preliminary Inclusionary Housing Plan by the City Council shall neither: (1) be deemed or interpreted as obligating the City Council to approve a final Inclusionary Housing Plan; nor (2) vest any right to the applicant other than the right to submit a final Inclusionary Housing Plan for the proposed Covered Development Project.

(b) *Final Plan.*

(i) **Housing Commission Review.** Within 60 days after the filing of a complete final Inclusionary Housing Plan, the Housing Commission shall review the Inclusionary Housing Plan, and shall recommend either the approval (with or without modifications) or the rejection of the Inclusionary Housing Plan. The Housing Commission shall transmit its findings of fact and recommendation to the City Council. The failure of the Housing Commission to provide a recommendation within such 60 day period, or such further time to which the applicant may, in writing, agree, shall be deemed a recommendation against the approval of the Inclusionary Housing Plan.

(ii) **City Council Consideration.** Upon receipt of the Housing Commission recommendation pursuant to Section 150.2135(B)(2)(b)(i) of this Code, the City Council may, by ordinance duly adopted, approve or reject the Inclusionary Housing Plan. Any ordinance approving a final Inclusionary Housing Plan shall include, without limitation, the following:

(A) All standards, conditions, or restrictions deemed necessary or applicable by the City Council to effectuate the proposed development and protect the public interest, health, safety and welfare; and

(B) A provisions requiring the execution and recordation by the applicant of a development agreement, as required pursuant to Section 150.2140 of this Code.

(c) *Concurrent Review of Preliminary and Final Plans.* Notwithstanding any provision of this Code to the contrary, for all Covered Development Projects that are not planned developments, and for all planned developments for which a concurrent review procedure has been approved pursuant to Section 150.550 of this Chapter, the Housing Commission and City Council shall review the preliminary and final Inclusionary Housing Plans concurrently, pursuant to the final Inclusionary Housing Plan review procedure set forth in Section 150.2135(B)(2)(b) of this Code.

(3) *Standards of Review.* The Housing Commission shall not recommend the approval of a preliminary or final Inclusionary Housing Plan, and the City Council shall not approve a preliminary or final Inclusionary Housing Plan, except upon making the following findings:

(a) That the applicant has demonstrated that the proposed affordable housing units are designed to accommodate the needs of the target households;

(b) That the location, floor plan, fixtures and finishes, and amenities of each proposed affordable housing unit satisfy the applicable provisions of this Code and are suitable for the needs of the target households;

(c) That each affordable housing unit is designed to accommodate family living needs for common space and dining areas; and

(d) That the proposed affordable housing units, and the development as a whole, conform to the applicable standards and requirements of this Chapter.

Sec. 150.2140. - Development Agreement and Other Documents.

Prior to issuance of a building permit for any covered development, the applicant shall have entered into a development agreement with the City regarding the specific requirements and restrictions regarding affordable housing and the covered development. The applicant shall execute any and all documents deemed necessary by the City, including without limitation, restrictive covenants and other related instruments, to ensure the continued affordability of the affordable housing units in accordance with this Article. The development agreement shall set forth the commitments and obligations of the City and the applicant and shall incorporate, among other things, the inclusionary housing plan. The development agreement shall also contain the agreements and decisions regarding the applicability of any one or more of the alternatives to the provision of on-site affordable housing units as set forth in Sections 150.2120, 150.2125, and 150.2130 of this Code.

Sec. 150.2145. - Development Cost Off-Sets.

An applicant that fully complies with the requirements of this Code shall, upon written request, receive from the City, with regard to the affordable housing units in the covered development, a waiver of all of the otherwise applicable application fees, building permit fees, plan review fees, inspection fees, sewer and water tap-on fees, demolition permit fees, the demolition tax, and such other development fees and costs which may be imposed by the City; provided, however, that this waiver shall not apply to third-party legal, engineering, and other consulting or administrative fees, costs, and expenses incurred or accrued by the City in connection with the review and processing of plans for the covered development. The waiver and discount of fees and costs under this Section shall only apply to the affordable units, and shall be calculated as the percentage of units within the covered development that are affordable units. All applicable fees and costs under this Code shall apply to all market rate units. To the extent that there are impact fees attributable to the affordable housing units, those impact fees shall be paid from funds in the Affordable Housing Trust Fund.

Sec. 150.2150. - Integration of Affordable Housing Units.

(A) *Location of Affordable Housing Units.* Affordable housing units shall be dispersed among the market rate units throughout the covered development.

(B) *Phasing of Construction.* The inclusionary housing plan and the development agreement shall include a phasing plan that provides for the timely and integrated development of the affordable housing units as the covered development project is built out. The phasing plan shall provide for the development of the affordable housing units concurrently with the market rate units. Building permits shall be issued for the covered development project based upon the phasing plan. The phasing plan may be adjusted by the Director when necessary in order to account for the different financing and funding environments, economies of scale, and infrastructure needs applicable to development of the market rate and the affordable housing units. The phasing plan shall also provide that the affordable housing units shall not be the last units to be built in any covered development.

(C) *Exterior Appearance.* The exterior appearance of the affordable housing units in any covered development shall be visually compatible with the market rate units in the development. External building materials and finishes shall be substantially the same in type and quality for affordable housing units as for market rate units.

(D) *Unit Amenities.* Amenities that are provided with a market rate unit shall also be provided with the affordable units. For purposes of this Section 150.2150(D), "amenities" shall include, without limitation, basements, front porches, storage lockers, balconies, roof decks, outdoor patios, off-street parking, enclosed parking, appliances, and similar unit features and additions. Specially, and without limitation of the foregoing, the development must comply with the following:

(1) *Parking Amenities.* One parking space per affordable unit must be included in the rent and without any additional charge to the tenant. Additional parking spaces must be made available in the same manner and using the same method for allocation for the market rate units. Premium parking spaces, such as indoor parking, shall not be required to be allocated to the affordable units free of charge, provided that required parking is provided elsewhere on the site.

(2) *Storage Amenities.* To the extent that storage is allocated to all market rate units within a development, similar storage space must be allocated to all affordable units and included in the rent without additional charge to the tenant. If storage space is not allocated to all units due to insufficient ratio of storage space to residential units, then the affordable units should have access to storage in the same manner as do the market rate units, at a cost discounted by the ratio of the affordable unit's rent to the equivalent size unit's market rent.

(E) *Interior Appearance and Finishes.* Affordable housing units may differ from market rate units with regard to interior finishes and gross floor area, provided that:

(1) The bedroom mix of affordable units shall be in equal proportion to the bedroom mix of the market rate units.

(2) The differences between the affordable housing units and the market rate units shall not include improvements related to energy efficiency, including mechanical equipment and plumbing, insulation, windows, and heating and cooling systems.

(3) The interior gross floor area for the affordable housing units shall be no less than the lesser of: (a) 75 percent of the gross floor area of market rate units with a comparable number of bedrooms; or (b) the minimum size requirements outlined in the table below; provided, however, that interior gross floor area shall not include areas devoted to vertical circulation, basements, off-street parking, lockers and similar storage areas, and mechanical rooms.

| Number of Bedrooms | Unit Type | |
|--------------------|-----------------------------|----------------------------|
| | Single Story Dwelling Units | Multi-Story Dwelling Units |
| Studio | 450 square feet | — |
| 1 | 750 square feet | — |
| 2 | 950 square feet | 1,000 square feet |
| 3 | 1,175 square feet | 1,350 square feet |
| 4 | 1,350 square feet | 1,600 square feet |

Sec. 150.2155. - Target Income Levels for Affordable Housing Units.

(A) *For-Sale Affordable Housing Units.* In covered development projects that contain for-sale units, at least one affordable housing unit and no less than 50 percent of the affordable housing units shall be sold to low-income households at a price, as determined pursuant to Section 150.2155(C) of this Code, that, on average, is affordable to a household with an annual income that is 65 percent of area median income. Any remaining affordable units shall be sold to moderate-income households at a price, as determined pursuant to Section 150.2155(C) of this Code, that, on average, is affordable to a household with an annual income that is 100 percent of area median income. The owner shall execute and record any documents required by Section 150.2140 of this Code to ensure compliance with this Section 150.2155(A).

(B) *Rental of Affordable Housing Units.* In covered development projects that contain rental units: (i) no less than 33 percent of the affordable housing units shall be rented or leased to households with gross incomes from zero percent to 50 percent of the Chicago area median income at a price, as determined pursuant to Section 150.2155(C) of this Code, that, on average, is affordable to a household with an annual income that is 45 percent of area median income; (ii) no less than 33 percent of the affordable housing units shall be rented or leased to households with gross incomes between 51 percent and 80 percent of the Chicago area median income at a price, as determined pursuant to Section 150.2155(C) of this Code, that, on average, is affordable to a household with an annual income that is 65 percent of area median income; and (iii) no more than 33 percent of the affordable housing units shall be rented or leased to households with gross incomes between 81 percent and 120 percent of the Chicago area median income at a price, as determined pursuant to Section 150.2155(C) of this Code, that, on average, is affordable to a household with an annual income that is 100 percent of area median income. If fewer than three affordable units will be provided, such units shall be rented or leased to low-income households at a price, as determined pursuant to Section 150.2155(C) of this Code, that does not exceed what is affordable to a household with an annual income that is 65 percent of area median income.

(C) *Pricing Schedule.* The City, through the Director of Community Development, shall publish a pricing schedule of rental and sales prices for affordable housing units ("Pricing Schedule"), which Pricing Schedule shall be updated at least once every 12 months. The Director of Community Development may, in his or her discretion, include the Pricing Schedule within administrative guidelines adopted pursuant to Section 150.2185 of this Code.

Sec. 150.2160. - Eligibility of Households.

(A) *For-Sale Affordable Housing Units.* Only eligible households shall be permitted to purchase an affordable housing unit for purposes of this Code. Priority will be given first to households who live in Highland Park or households in which the head of the household or the spouse or domestic partner works in Highland Park as part of employment by the City of Highland Park, the Highland Park Public Library, the Park District of Highland Park, the Lake County Forest Preserve District, the County of Lake, Moraine Township, West Deerfield Township, School Districts 112 or 113, the Northern Suburban Special Education District, the North Shore Sanitary District, or the South Lake County Mosquito Abatement District, and then to households in which the head of the household or the spouse or domestic partner works in Highland Park for any other employer. At the applicant's request, the City or its not-for-profit designee shall select eligible households for the affordable housing units at an additional charge to the applicant at an amount to be determined by the City. If, during possession, the gross income of the eligible household increases above the eligible income levels, set forth in Section 150.2155 of this Code, the eligible household may continue to own the affordable housing unit. The owner shall execute and record any documents required by Section 150.2140 of this Code to ensure compliance with this Section 150.2160(A).

(B) *Rental Affordable Housing Units.* Only eligible households shall be permitted to rent an affordable housing unit for purpose of this Code. Priority will be given first to households who live in Highland Park or households in which the head of the household or the spouse or domestic partner works in Highland Park as part of employment by the City of Highland Park, the Highland Park Public Library, the Park District of Highland Park, the Lake County Forest Preserve District, the County of Lake, Moraine Township, West Deerfield Township, School Districts 112 or 113, the Northern Suburban Special Education District, or the South Lake County Mosquito Abatement District, and then to households in which the head of the household or the spouse or domestic partner works in Highland Park for any other employer. At the applicant's request, the City or its not-for-profit designee shall select eligible households for the affordable housing units at an additional charge to the applicant at an amount to be determined by the City. If, during possession, the gross income of the eligible household increases above the eligible income levels, set forth in Section 150.2155 of this Code, the eligible household may continue to lease the unit and may renew the lease as well. The owner shall execute and record any documents required by Section 150.2140 of this Code to ensure compliance with this Section 150.2160(B).

Sec. 150.2165. - Marketing of the Affordable Housing Units.

(A) *Good Faith Marketing Required.* All sellers and lessors of affordable units are responsible for marketing the affordable units, and shall engage in good faith marketing efforts to inform members of the public who are qualified to purchase or rent affordable units

of the availability of such units for sale or rent. Prior to the initiation of public marketing efforts to sell or lease an affordable housing unit, the seller or lessor thereof shall submit to the Director of Community Development a description of the marketing plan that the applicant proposes to utilize and implement to promote the sale or rental of the affordable units within the development to the appropriate income groups.

(B) *City Assistance with Marketing.* At the applicant's request, the City or its designee shall assist the applicant in marketing the affordable housing units to eligible households, for an additional charge to be determined by the City.

Sec. 150.2170. - Period of Affordability.

(A) *Sale of Affordable Housing Units.* In covered developments that contain for-sale units, affordable housing units shall be resold to low and moderate income households for so long as the units are used for residential purposes, in perpetuity or as long as permissible by law. The owner shall execute and record any documents required by Section 150.2140 of this Code to ensure compliance with this Section 150.2170(A).

(B) *Rental of Affordable Housing Units.*

(1) In developments that contain rental units, affordable housing units shall be rented to low and moderate income households in accordance with Section 150.2160 of this Code for so long as the units are used for residential purposes, in perpetuity or as long as permissible by law. The owner shall execute and record any documents required by Section 150.2140 of this Code to ensure compliance with this Section 150.2170(B). In the event that the owner of a covered rental development sells the development, the new owner shall be required to continue to provide the affordable housing units in accordance with this Article XXI.

(2) If the owner of a covered rental development converts the development to condominiums or other form of individual unit ownership, the development shall be subject to the for-sale development requirements set forth in Section 150.2155(A) of this Code. The Housing Commission or its designee shall have the right, but not the obligation, to purchase any for-sale affordable housing units in the development pursuant to Section 150.2175 of this Code.

Sec. 150.2175. - Affordability Controls.

(A) *For-Sale Affordable Housing Units.*

(1) *Housing Commission Purchases.* The Housing Commission, or a not-for-profit agency designated by the Housing Commission, shall have the pre-emptive option and right, but not an obligation, to purchase each of the for-sale affordable housing units prior to any sale of any such unit. If the City, or the designated not-for-profit, exercises the option and purchases the affordable housing unit, the affordable housing unit shall be subject to such documents deemed necessary by the City, including, without limitation, restrictive covenants and other related instruments, to ensure the continued affordability of the affordable housing units in accordance with this Article. Such documentation shall include the provisions of this Code and shall provide, at a minimum, each of the following:

(a) The calculated maximum resale price is an upper limit, but shall not be construed as a guarantee that the unit will be resold at that price.

(b) Market conditions, and characteristics of the affordable housing unit, may result in the sale of an affordable housing unit at a price lower than the calculated maximum resale price.

(2) *Private Party Purchases.* In all other sales of for-sale affordable housing units, the parties to the transaction shall execute and record such documentation as required by Section 150.2140 of this Code to ensure the provision and continuous maintenance of the affordable housing units. Such documentation shall include the provisions of this Code and shall provide, at a minimum, each of the following:

(a) The affordable housing unit shall be sold to and occupied by an eligible household.

(b) The affordable housing unit shall be conveyed subject to restrictions that shall permanently maintain the affordability of such affordable housing units for eligible households.

(c) Preference for the affordable housing units shall be given to eligible households pursuant to the priorities set forth in Section 150.2160 of this Code.

(d) The calculated maximum resale price is an upper limit, but shall not be construed as a guarantee that the unit will be resold at that price.

(e) Market conditions, and characteristics of the affordable housing unit, may result in the sale of an affordable housing unit at a price lower than the calculated maximum resale price.

(B) *Rental Affordable Housing Units.* For covered rental developments that contain affordable housing units, the owner of the development shall execute and record such documentation as required by Section 150.2140 of this Code to ensure the provision and continuous maintenance of the affordable housing units. Such documentation shall include the provisions of this Code and shall provide, at a minimum, each of the following:

(1) The affordable housing units must be leased and occupied by eligible households.

(2) The affordable housing units must be leased at rent levels affordable to eligible households for so long as the units are used for residential purposes, in perpetuity or as long as permissible by law.

(3) Preference for the affordable housing units shall be given to eligible households pursuant to the priorities set forth in Section 150.2155 of this Code.

(4) The calculated maximum rental price is an upper limit, but shall not be construed as a guarantee that the unit will be rented at that price.

(5) Market conditions, and characteristics of the affordable housing unit, may result in the rental of an affordable housing unit at a price lower than the calculated maximum rental price.

(C) *Subleasing Prohibited.* Subleasing of affordable units shall not be permitted without the express written consent of the Director.

Sec. 150.2180. - Departures from Requirements.

The Housing Commission may recommend, and the City Council may approve, departures from any of the standards set forth in this Article, upon making each of the following findings:

(A) Due to specific and unique circumstances, undue hardship would be caused by the literal enforcement of the standards and requirements set forth in this Article;

(B) By virtue of excellence in design, the proposed departure from the standards does not result in a diminished or lower quality affordable dwelling unit, but provides a functionally equivalent dwelling unit; and

(C) The proposed affordable housing units otherwise meet the purpose and intent of this Code.

Sec. 150.2185. - Administrative Guidelines.

The City Director of Community Development shall have the right, but not the obligation, to adopt, and to amend from time to time, administrative guidelines to assist in the effective implementation of this Code by participants in the Inclusionary Housing Program; provided, however, that any administrative guidelines adopted or amended pursuant to this Section 150.2185 shall not be inconsistent with this Article, and that in the event of a conflict between the administrative guidelines and this Article, this Article shall control.