

Chapter 8 Housing

Vision

In the year 2020, Lake County will have an appropriate range of housing types and prices to accommodate all demographic groups and the anticipated population growth.

Significance

Providing appropriately priced housing for all demographic groups is a major challenge in Lake County. The median housing value in Lake County increased from \$136,700 in 1990 to \$198,200 in 2000 (U.S. Census Bureau, Census 1990 and 2000). This is a 45% increase over ten years. The housing market is complicated by the distribution of housing by value, which varies widely from community to community. Some communities have a large percentage of moderately priced housing; other communities have a large percentage of more expensive housing.

Housing is the single largest land use in Lake County. As the County continues to grow in population, more housing units will be built in the future. Instead of covering “every bit of countryside with improvement” (Arendt, 1996 pp xvii), alternative residential approaches, such as Transit Oriented Development (TOD), Employment Oriented Development (EOD), Conservation Residential Development, and Transfer of Development Rights (TDR) should be considered for new residential developments in Lake County.

This chapter will evaluate housing trends and analyze the availability, distribution, and cost of housing in Lake County. It will also provide forecasts for future housing needs. The relationship between housing and employment locations will be examined.

Housing goals and policies begin with ensuring an adequate supply of housing units to accommodate the anticipated population growth. They also include providing for the appropriate housing mix of types and prices to ensure continued economic vitality, especially in areas near employment centers. This chapter also contains recommendations regarding the appropriate location of housing development.

Issues and Opportunities

- Housing supply is not meeting demand leading to a shortage of housing in every price category, except the highest end.
- Housing is becoming increasingly expensive in the County.
- Affordable housing often faces local opposition.
- The increase in the elderly population is creating the need for more senior housing with better access to transit, shopping, and medical facilities.
- There is a shortage of multifamily and rental housing units needed by the workforce of Lake County businesses.

Lake County, Illinois

- Existing and new transit stations present an opportunity to promote more mixed-use, pedestrian friendly Transit Oriented Development (TOD) near the stations.
- Employment and population growth present an opportunity to promote more mixed-use, pedestrian friendly Employment Oriented Development (EOD) near existing and future employment centers.
- Real estate taxes collected from residential uses are generally not enough to support schools.
- Public housing and private housing using federal vouchers are concentrated in a few communities.
- There is an opportunity to help create a job-housing balance by encouraging businesses to locate in communities with existing affordable housing.

Analysis

Housing Units Growth Trends

Consistent with the population growth, Lake County has experienced a significant increase in its housing stock during the last 50 years. As shown in Figure 8.1, the population was just over 179,000, and the number of households and housing units were only 47,024 and 53,475 in 1950. With population reaching more than 644,000 in 2000, the number of housing units more than quadrupled over the last 50 years reaching 226,000 in 2000.

**Figure 8.1
Housing Units Trends and Comparison with Population
and Household Trends, 1950-2000**

Lake County	1950	1960	1970	1980	1990	2000
Population	179,097	293,656	382,638	440,372	516,418	644,356
Households	47,024	76,544	102,947	139,700	173,966	216,297
Average Household Size	3.41	3.52	3.39	2.98	2.85	2.88
Housing Units	53,475	85,627	110,448	150,496	183,283	225,919
Vacancy Rate	12.1%	10.6%	6.8%	7.2%	5.1%	4.3%

Source: U. S. Census Bureau

The housing boom in Lake County started in the 1950s with an average net increase of 3,200 units per year. Housing construction slowed somewhat in the 1960s (average net increase of 2,500 units per year) and sped up again in the 1970s (average net increase of 4,000 units per year). During the 1980s, Lake County gained a similar number of housing units as it did in the 1950s. The largest increase in housing units occurred in the 1990s with an average net increase of nearly 4,300 units per year. The number of new housing units constructed is slightly higher because the replacement for teardowns does not contribute to the net increase in housing units.

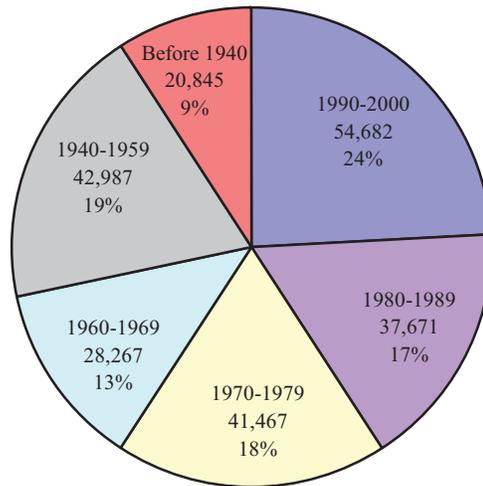
Lake County’s housing units are relatively new. Figure 8.2 shows the decades in which the current housing units were built. Nearly 60% of them were built after 1970. There were

approximately 55,000 new housing units built between 1990 and 2000, accounting for one in every four existing units in Lake County.

Even with this tremendous growth, Lake County faces a housing shortage. In 1950, the percentage of vacant housing units was 12.1%; by 2000, it dropped to 4.3%. According to the Census Bureau’s definition, vacant housing units also include units for seasonal, recreational, or occasional use. If these housing units were excluded, the housing vacancy rate for 2000 drops even further to 3.2%.

Two other housing indicators—homeowner vacancy rate and rental vacancy rate, also show that Lake County is experiencing a tight housing condition. Homeowner vacancy rate is the proportion of the homeowner—housing inventory that is vacant for sale. Rental vacancy rate is the proportion of the rental inventory that is vacant for rent. According to the 2000 Census, the homeowner vacancy rate for Lake County was only 1.1% compared to 1.3% for the Chicago Metropolitan area and 1.7% for the United States. Rental vacancy rate for Lake County was only 5% in 2000. This was well below the threshold for a “tight” rental housing market, which is 6% according to the U. S. Department of Housing and Urban Development. The whole Chicago Metropolitan area has a tight housing market with a 5.3% rental vacancy rate compared to 6.8% for the United States.

Figure 8.2
Age of Housing Units in Lake County



Source: U. S. Census Bureau, Census 2000

Housing Types

Figure 8.3 shows housing types based on the number of housing units in different structures from 1980 to 2000. The number of housing units in 1-unit detached structures and 5 or more unit structures increased over the last 20 years, but their proportions in the total number of housing units remained approximately the same. The housing units in the 1-unit attached structures, which are typically townhouses with separate entrances, increased dramatically both in terms of the number of units as well as its share in the total number of housing units. The number of housing units in the 2-unit structures and other structures showed a trend of declining. The number of housing units in the 3 or 4-unit structures remained at the same level.

Lake County, Illinois

Lake County's housing stock is predominately single-family accounting for 77.8% of the total housing units, according to the 2000 Census. This is higher than DuPage (72.1%) and Kane counties (72.2%), but lower than Will (84.3%) and McHenry counties (86.5%). As an urban county, Cook County has a much lower percentage of single-family housing units, only 44.8%. For the United States as a whole, single-family housing units account for 65.9% of the total.

Figure 8.3
Housing Types in Lake County 1980-2000

Housing Types	1980		1990		2000	
	Number of Housing Units	% Of Total	Number of Housing Units	% Of Total	Number of Housing Units	% Of Total
Single-Family	108,334	72.0	136,767	74.7	175,765	77.8
1-unit, detached	102,585	68.2	123,630	67.5	155,336	68.8
1-unit, attached	5,749	3.8	13,137	7.2	20,429	9.0
Multifamily	37,474	24.9	41,790	22.8	45,789	20.3
2 units	9,125	6.1	7,726	4.2	7,268	3.2
3 or 4 units	7,274	4.8	7,061	3.9	7,645	3.4
5 or more units	21,075	14.0	27,003	14.7	30,876	13.7
Other*	4,688	3.1	4,726	2.5	4,365	1.9

Source: Lake County Department of Planning, Zoning & Environmental Quality, 1994, *Framework Plan*, Page 6-10, Lake County, Illinois

U. S. Census Bureau, Census 2000, Table DP-4

*Includes mobile home, trailer, boat, RV, Van, etc.

New Housing Units

Figure 8.4 shows the residential construction activities by municipalities in recent years. Continuing the growth trend of housing units in Lake County, the residential units permitted from 1998 to 2002 range from 4,001 to 4,933 units per year. These new housing permits are predominantly for single-family units, which account for 81% of the total units.

For the five years between 1998 and 2002, the City of Waukegan issued the largest number of residential building permits with a total of 1,605 housing units, followed by Round Lake (1,533), Gurnee (1,490), Vernon Hills (1,416), Lindenhurst (1,333), Grayslake (1,321), Lake Villa (1,126) and Round Lake Beach (1,083). The City of Waukegan also issued the largest number of multifamily building permits 816 from 1998 to 2002, followed by Gurnee (537), Lindenhurst (455), Hainesville (278), Libertyville (259), Lake Villa (256), Round Lake Beach (254), and Lake Zurich (208). During the same time period, the Village of Round Lake led all municipalities in terms of single-family building permits issued (1,501), followed by Vernon Hills (1,416), and Grayslake (1,170).

The number of new housing units completed each year may be higher than what the table shows for those communities with new manufactured homes. Figure 8.4 is compiled from surveys the Census Bureau conducted which do not require the report of manufactured homes. The Village of Round Lake Park added several hundred housing units in Saddlebrook Farms, which are not reflected in the table. Manufactured homes are further discussed in the Manufactured/Mobile Homes section of this chapter.

Figure 8.4
Residential Building Permits, 1998-2002

Municipality	1998			1999			2000			2001			2002		
	Single-Family Units	Multi-family Units	Total												
Antioch	110	0	110	149	0	149	129	40	169	180	0	180	239	13	252
Bannockburn	3	0	3	1	0	1	4	0	4	3	0	3	2	0	2
Beach Park	20	0	20	22	0	22	21	0	21	21	0	21	163	139	302
Buffalo Grove	89	0	89	20	40	60	18	32	50	27	0	27	59	0	59
Deer Park	9	0	9	12	0	12	5	0	5	4	0	4	5	0	5
Deerfield	29	0	29	29	0	29	79	61	140	22	0	22	36	40	76
Fox Lake	48	0	48	69	0	69	56	0	56	110	21	131	159	0	159
Grayslake	160	0	160	270	0	270	237	148	385	327	0	327	176	3	179
Green Oaks	53	0	53	53	0	53	42	0	42	9	0	9	17	0	17
Gurnee	317	199	516	226	260	486	150	9	159	135	60	195	125	9	134
Hainesville	49	38	87	58	66	124	73	31	104	38	67	105	154	76	230
Hawthorn Woods	66	0	66	35	0	35	48	0	48	48	0	48	58	0	58
Highland Park	56	15	71	58	15	73	54	10	64	56	20	76	59	40	99
Highwood	0	2	2	0	0	0	0	2	2	3	0	3	3	0	3
Indian Creek	0	0	0	0	0	0	0	0	0	4	0	4	61	0	61
Kildeer	37	0	37	43	0	43	42	0	42	38	0	38	43	0	43
Lake Barrington	10	0	10	35	0	35	25	0	25	60	0	60	16	0	16
Lake Bluff	11	0	11	17	0	17	12	0	12	12	0	12	12	0	12
Lake Forest	209	0	209	118	0	118	113	0	113	76	0	76	84	0	84
Lake Villa	204	0	204	191	0	191	220	171	391	185	0	185	70	85	155
Lake Zurich	28	0	28	30	176	206	34	0	34	111	26	137	69	6	75
Libertyville	59	2	61	65	222	287	25	3	28	19	28	47	29	4	33
Lincolnshire	10	0	10	12	31	43	13	0	13	6	52	58	20	0	20
Lindenhurst	297	190	487	288	65	353	125	130	255	85	70	155	83	0	83
Long Grove	57	0	57	79	0	79	80	0	80	82	0	82	48	0	48
Mettawa	0	0	0	5	0	5	9	0	9	12	0	12	3	0	3
Mundelein	82	0	82	130	0	130	111	0	111	118	0	118	124	0	124
North Barrington	38	0	38	41	0	41	42	0	42	21	0	21	13	0	13
North Chicago	27	42	69	30	5	35	39	7	46	24	2	26	33	5	38
Old Mill Creek	0	0	0	0	0	0	0	0	0	1	0	1	0	0	0
Park City	3	0	3	0	0	0	0	0	0	7	0	7	7	0	7
Riverwoods	12	0	12	7	0	7	11	0	11	40	0	40	11	0	11
Round Lake Beach	177	0	177	263	80	343	200	99	299	126	75	201	63	0	63
Round Lake Heights	18	0	18	40	0	40	33	0	33	150	0	150	163	0	163
Round Lake Park	6	0	6	5	0	5	5	0	5	7	0	7	11	0	11
Round Lake	77	0	77	235	0	235	194	0	194	368	0	368	627	32	659
Tower Lakes	1	0	1	2	0	2	2	0	2	1	0	1	2	0	2
Vernon Hills	271	0	271	424	0	424	296	0	296	218	0	218	207	0	207
Wadsworth	21	0	21	21	0	21	24	0	24	32	0	32	36	0	36
Wauconda	41	0	41	54	0	54	47	12	59	38	17	55	41	5	46
Waukegan	218	58	276	142	162	304	162	211	373	121	365	486	146	20	166
Winthrop Harbor	17	0	17	28	0	28	19	0	19	16	0	16	20	0	20
Zion	105	0	105	108	0	108	89	0	89	98	14	112	97	0	97
Municipal Total	3,045	546	3,591	3,415	1,122	4,537	2,888	966	3,854	3,059	817	3,876	3,394	477	3,871
Balance of Lake County*	412	43	455	319	77	396	280	0	280	307	20	327	301	0	301
Lake County Totals	3,457	589	4,046	3,734	1,199	4,933	3,168	966	4,134	3,366	837	4,203	3,695	477	4,172

*Balance of Lake County includes unincorporated Lake County plus Third Lake and Volo.

Note: 1. This table excludes manufactured homes and does not include permits issued for additions, alterations, or conversions to residential building. 2. Barrington and Barrington Hills are listed under Cook County; Fox River Grove, Port Barrington, Island Lake, and Lakemoor are listed under McHenry County.

Source: Northeastern Illinois Planning Commission and U. S. Census Bureau.

Housing Value and Income Trend Analysis

Lake County's median housing value increased considerably during the last 30 years. Figure 8.5 shows Lake County's median housing value trend. In 1970 the median housing value was only \$24,500. By 2000, it reached \$198,200. This is a 710% increase over 30 years. In the same time period, the median housing value in the Chicago region increased 550%.

Lake County's median income increased considerably less during the last 30 years. Figure 8.5 also shows Lake County's median household income trend. In 1969 the median household income was only \$12,200. By 1999, it reached only \$66,973. This is an increase of only 449% over 30 years. After adjusting for inflation, the median housing value in Lake County still increased 81% over the last 30 years. During the same time, the median household income increased only 24%.

Housing Value by Location

Housing value varies greatly from one community to another. Figure 8.6 shows the 2001 market value of single-family housing units in Lake County (multifamily housing units are not included in this map) based on the equalized assessed value (EAV) from Lake County tax assessment records. There were approximately 170,000 single-family housing units (including both land and building) assessed at the market value of \$30,000 or more in 2001.

In order to show the distribution of housing value, these housing units were divided into four equally sized groups. The first group of housing units, with the lowest value ranging from \$30,000 to \$122,487, is mostly located in the northern Lake Michigan Lakefront communities and the Round Lake area. The second group, with housing value from \$122,488 to \$187,174, is primarily located in the northern half of the County (north of State Highway 137). Almost all of the most expensive units, with housing value of more than \$294,480, are located in the southern half of the County and along the I-94 corridor. The group with housing value ranging from \$187,174 to \$294,480 is more evenly distributed throughout the County.

Housing Affordability

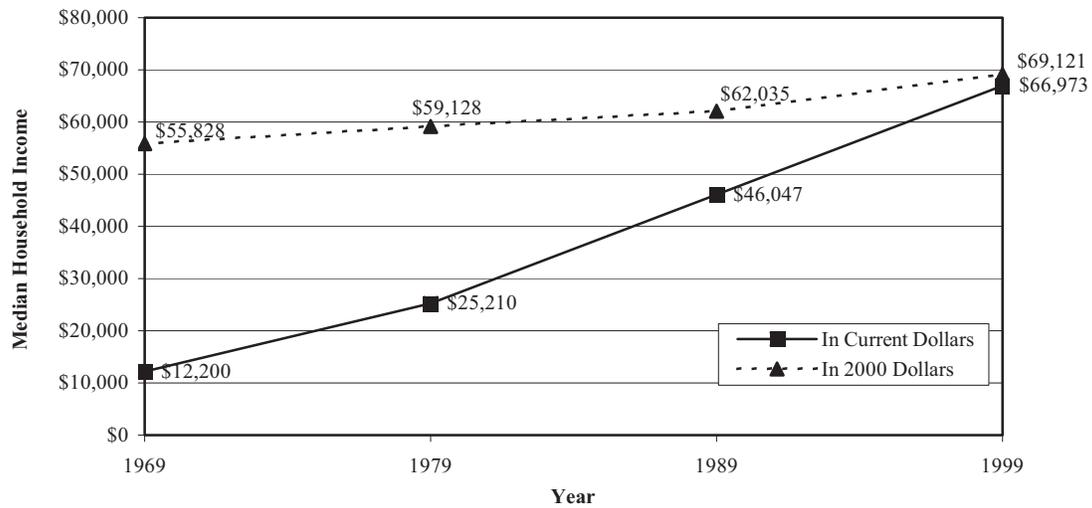
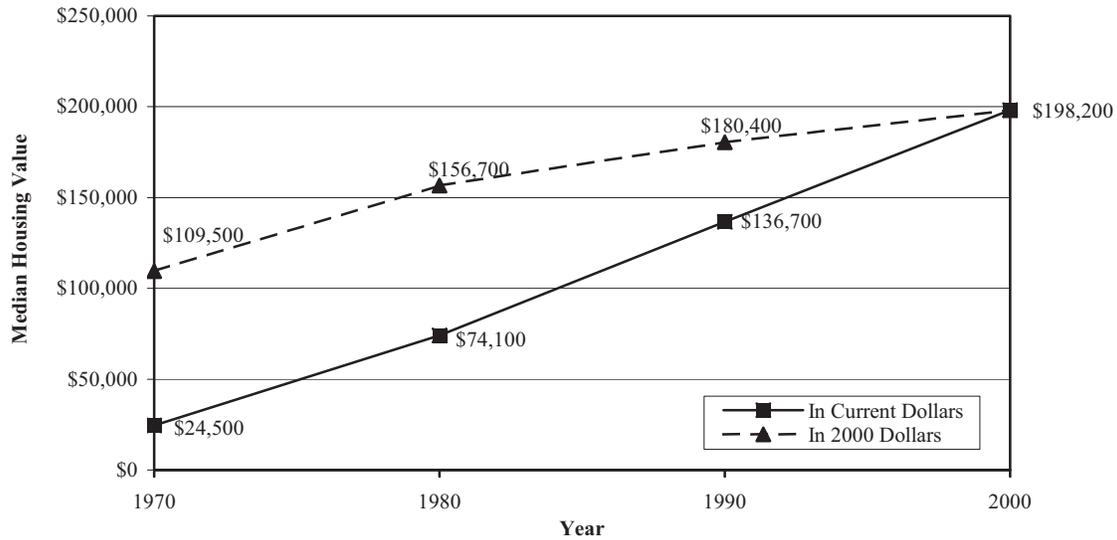
The percentage of income used for housing expenses is an indicator of housing affordability. In Lake County, the percentage of income of homeowners used for housing expenses increased during the 1990s as shown in Figure 8.7. In 1990, more than 49.1% of the homeowners spent 20% or less of their income on housing; only 13.7% spent more than 35% or more on housing expenses. However, in 2000, the percentage of homeowners spending 20% or less of their income on housing declined to 44.5%; the percentage of homeowners spending 35% or more of their income on housing increased to 18.5%.

On the other hand, there were signs of relief for renters during the 1990s. The percentage of renters spending 20% or less of their income on housing increased slightly; the percentage of renters spending more than 35% of their income on housing declined slightly. However, more than one-third (34.6%) of the County's rental households spent more than 30% of their monthly income on rent. These households are "rent burdened" and have less money available for other needs.

A housing unit is considered affordable if the purchase price is no more than 2.5 times higher than the buyer's annual household income (Chicago Metropolis, The 2002 Metropolis Index).

According to the Census, the median household income in Lake County was \$66,973 in 1999. A household earning Lake County's median income could afford a housing unit priced at \$167,400 or lower.

Figure 8.5
Median Housing Value for Lake County, 1970-2000
And Median Household Income for Lake County, 1969-1999
(In Current and 2000 Dollars)



Sources: U.S. Census Bureau, Census 1970, 1980, 1990, and 2000
 U.S. Department of Labor

Figure 8.6
Housing Value for Single-Family Units
Based on 2001 EAV in Lake County

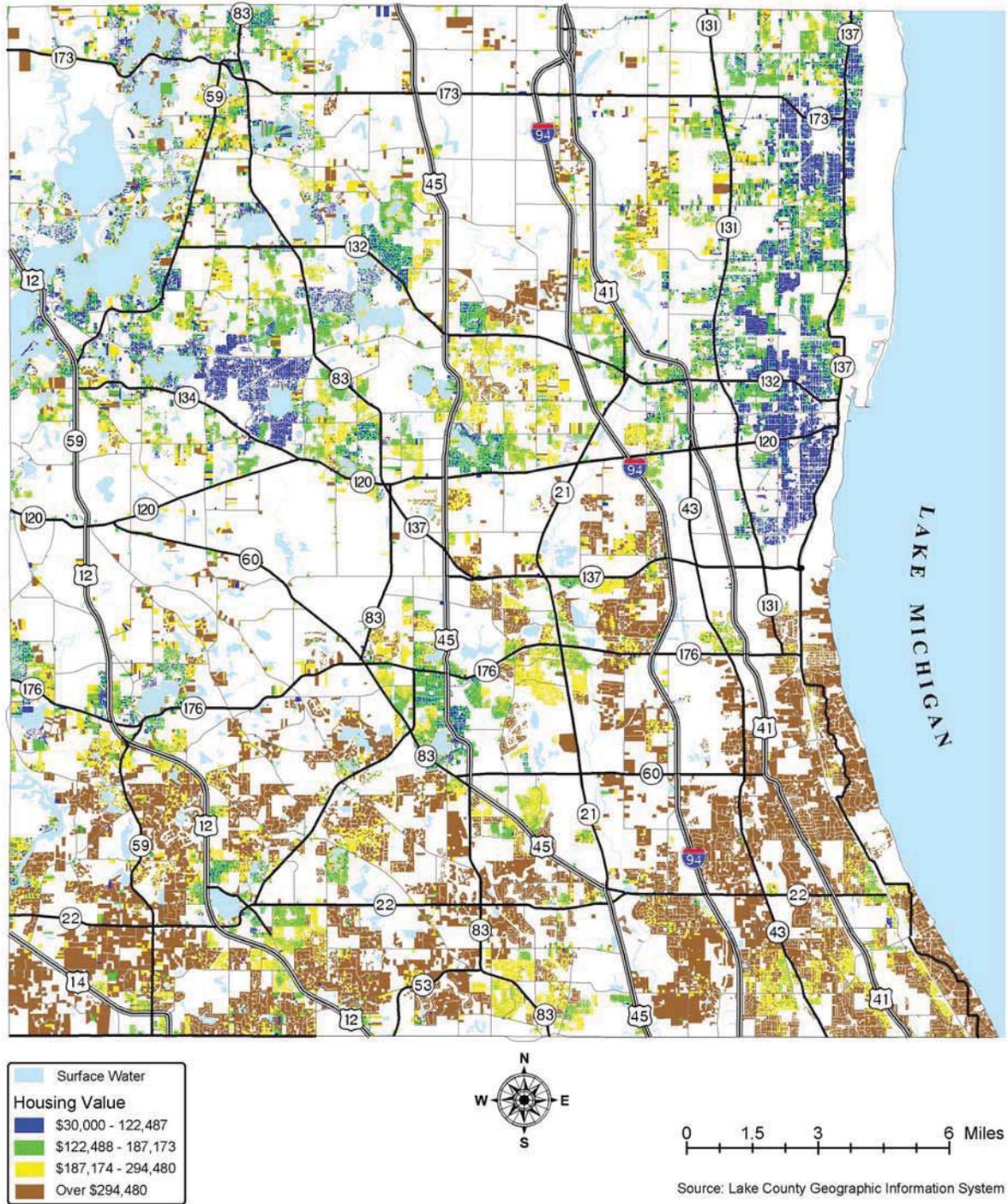
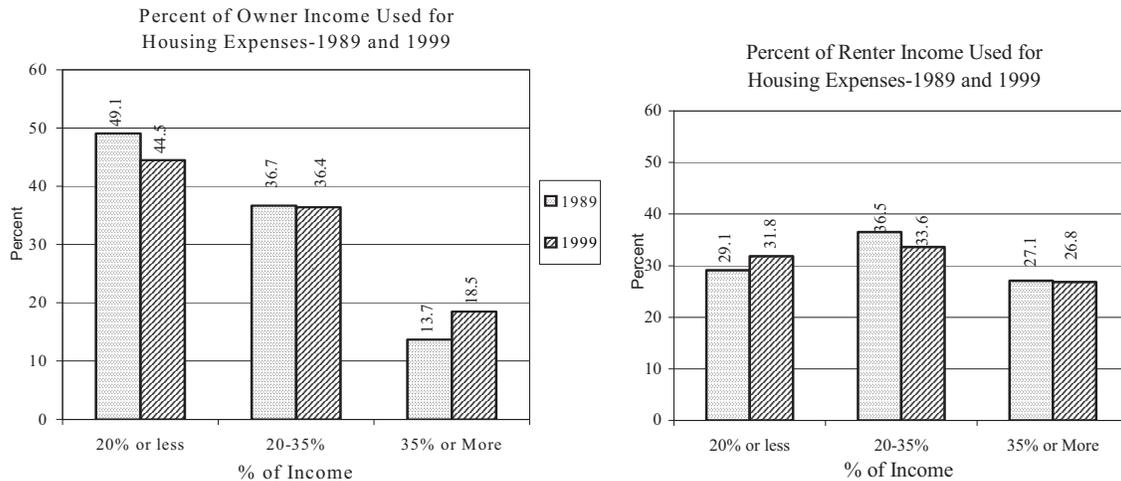


Figure 8.7
Percent of Income Used for Housing Expenses, 1989 and 1999



Note: The total percentage does not add up to 100% in either chart due to the fact that a small portion of the data cannot be computed.
 Source: U.S. Census Bureau, Census 1990 and 2000

Figure 8.8 shows the median housing value of Lake County in 2000 by census block groups. All parts of Lake County are within a census block group even if it is a non-residential area. It also shows a ratio indicating whether the block group is affordable to a household making the County’s median household income. The ratio is calculated by using the median housing value of the census block groups divided by Lake County’s median household income. According to the 2002 Metropolis Index (Chicago Metropolis 2020), a municipality having a ratio of 2.5 or less is classified as “affordable.” A ratio between 2.5 and 3.5 is considered “somewhat affordable,” while a ratio above 3.5 is considered “not very affordable” for a family with the County’s median household income. The 2002 Metropolis Index has been applied to block groups in Figure 8.8.

North Chicago, with a ratio of 1.5, is the most affordable community in Lake County. On the other end, the Village of Bannockburn is the least affordable community in Lake County with a median housing value of nearly one million dollars and a ratio of almost 14.¹

Manufactured/Mobile Homes

Manufactured homes are housing units that are built within a factory, under the 1976 Department of Housing and Urban Development (HUD) Manufactured Housing Code, commonly referred to as “HUD Code Housing.” HUD Code Housing is exempt from state and local construction and safety codes. Mobile homes are housing units built in a factory prior to the adoption of the HUD Code in 1976 (American Planning Association, March 12, 2001). Many people continue to use the term “mobile homes” when referring to “manufactured homes.”

According to the U.S. Census Bureau, Lake County had 4,269 manufactured/mobile homes in 2000. This accounts for 1.9% of the total housing units in the County, compared to 0.9% in the Chicago Metropolitan area, 3.2% in the state of Illinois, and 7.6% in the United States. The manufactured/mobile homes in Lake County are concentrated in a few communities. Park City,

¹ The ratios are calculated using block group data. Ratios describing entire municipalities are not the same.

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Beach Park, and Round Lake Park together accounted for 65% of the County's total manufactured/mobile homes in 2000. Park City has nearly 1,500 manufactured/mobile homes, which is more than half of its housing stock. The majority of Lake County's municipalities do not have any manufactured/mobile homes.

The cost of manufactured/mobile homes is 10 to 35% less than comparable site-built homes, excluding the cost of land. Manufactured homes can be built with various sizes, styles, and options, and can look very similar to site-built homes. Nationally, manufactured homes have become an important source of housing for young families, first time homebuyers, older adults, and others with limited income (American Planning Association, March 12, 2001).

In Illinois, manufactured/mobile homes are taxed differently than site-built homes. Manufactured/mobile homes are treated as personal property, as long as the wheels remain on the structure, and are not subject to real estate taxes. The land that manufactured/mobile homes sit on is taxed as real estate, as are on-site additions, such as garages, decks and porches. These additions must also be built to local, state, or regional building codes. State Legislation is routinely proposed that would change the manner in which manufactured/mobile homes are taxed.

Instead of real estate tax, the owners of manufactured/mobile homes pay a small Mobile Home Local Services Tax, which is based on the age and size of the structure. According to the Mobile Home Local Services Tax Act, the tax rate for the first three years on a new manufactured home is 15 cents per square foot. For example, the owner of a new 1,200 square-foot manufactured home pays \$180 a year for the first three years. The rates decrease over the years. By the time the manufactured home reaches 15 years and over, the rate is 7.5 cents per square foot. This tax rate has remained unchanged since the adoption of the law in 1973.

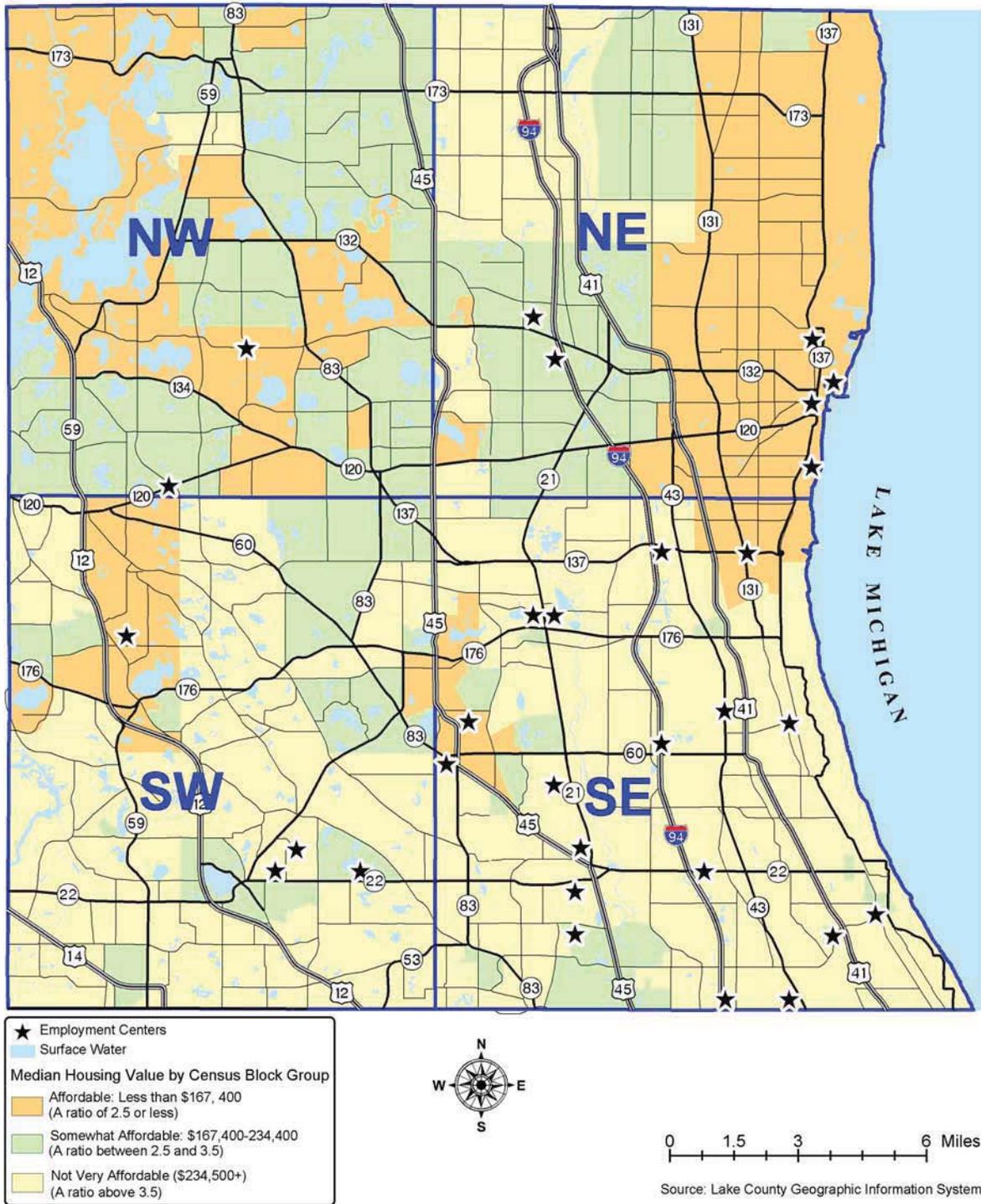
When manufactured/mobile homes are bought and sold, transfer of ownership is conducted in a form similar to a motor vehicle title, which is handled by the Secretary of State's office or at the local office of Department of Motor Vehicles. Manufactured/mobile home owners are also required to pay sales tax, similar to the process used for motor vehicle sales.

Some states have passed legislation requiring manufactured/mobile homes be taxed as real property. In South Dakota, for example, manufactured homes built in 1977 and after are taxed the same way as site-built homes (South Dakota Department of Revenue, Summer 2001). Real estate taxes are collected for both the home and the land to support public services such as schools, roads, fire and police protection. If new legislation is adopted in Illinois to ensure that manufactured homes are taxed at an equitable rate to support the services provided to residents, Lake County could consider new manufactured home parks as a method of providing affordable housing.

Housing and Employment

Currently, there is a mismatch of workforce housing and employment locations in Lake County. Figure 8.8 compares housing affordability against the location of jobs in Lake County. Based on the 2000 employment data provided by Northeastern Illinois Planning Commission as shown in Figure 3.5 in Chapter 3, Economy and Employment, the southeast quarter of the County accounts for 60% of the total jobs in the County. At the same time, it accounts for only 34% of the total households in Lake County. This is also the area where housing value is among the highest in Lake County. The great majority of the housing units in this area are out of the reach of households with earnings at or below Lake County's median income.

Figure 8.8
Housing Affordability and Employment Locations



Lake County, Illinois

Rental units provide housing for workers who either cannot or do not want to buy a home. Ideally, rental vacancy rates in a given area should not fall below 6%. According to the Census, the rental vacancy rate decreased from 6% in 1990 to 5% in 2000. During the 1990s, the increase in rental housing units in Lake County far lags behind the employment growth. Lake County created nearly 128,000 new jobs, while adding only 2,724 new rental units between 1990 and 2000. This caused the ratio of jobs to rental units to rise sharply from 4.74 jobs per rental unit in 1990 to 7.02 jobs per rental unit in 2000.

This mismatch of housing and employment in Lake County will inevitably lead to an even greater traffic burden on the already congested transportation system. It may also reduce the attractiveness of the County to employers and eventually hurt the economic viability of Lake County.

Employers have begun to pay attention to local housing issues. The Employer-Assisted Housing program, which is undertaken by the Metropolitan Planning Council (MPC), has attracted some employers in the Chicago Metropolitan area. Under this program, employers will provide financial assistance or benefits to their employees to purchase or rent a home near their work. Employers in return will see a reduction in turnover, increase in morale and loyalty, as well as state and federal tax benefits.

Current incentives provided by the state of Illinois include matching funds and tax credit for the employer-assisted housing program. “The matching funds provide a dollar-for-dollar match to the assistance provided by an employer to an employee buying a home. Through the tax credit, participating Illinois corporations and individuals receive a \$.50 credit toward their state income tax for every \$1 in cash, land, or property donated to employer-assisted housing” (Metropolitan Planning Council, February 27, 2003).

Businesses should also be encouraged to locate in areas of the County where there is an available workforce. Figure 3.4 in Chapter 3, Economy and Employment, shows the number of households, the number of jobs, and the ratio of jobs per household. The jobs per household ratio can be used as a proxy for the measurement of the commercial/industrial and residential land use balance of a region. It can also be used as a measure of the job housing balance for a region. Over a large area such as a county, metro area, or state the ratio falls between 1.2 and 1.6 jobs per household. In the U.S., the majority of households are composed of one or more workers. Therefore, areas with a ratio of less than one have a shortage of jobs compared to housing. Areas with a ratio of over two do not have the housing to support the jobs that exist there.

The data in Figure 3.4 can be aggregated into larger geographic areas, such as quarters of the County. (The quarter County boundaries are shown in Figure 8.8.) The Northwest Quarter has a jobs per household ratio of 0.6 and the Southeast Quarter has a jobs per household ratio of 2.9. Workers who live in the Northwest Quarter of the County are employed elsewhere. Those who work in the Southeast Quarter of the County live elsewhere.

Housing Location

Housing is the single largest land use in Lake County. It is approximately 25% of the total County area, according to the 2000 land use inventory, which will be further discussed in Chapter 9, Land Use, of this *Plan*. In order to preserve certain open space areas, new housing developments should be planned in areas of the County with access to public transit, employment centers, available infrastructure and public services. New housing developments should not be located in areas of the County with concentrations of environmental resources. Transportation efficient developments, such as Employment Oriented Development and Transit Oriented

Development, which are described in Chapter 7, Transportation, should be encouraged. These compact developments can minimize traffic impacts and preserve open space.

Since municipalities generally are in better positions to provide public services and to collect development impact fees, large-scale residential developments should be encouraged to occur within municipalities. This is particularly true for municipalities that have lower workforce age population than jobs as these municipalities are importing a large amount of labor and have the ability to absorb additional residential development.

Transit Oriented Development

Transit Oriented Development (TOD) is designed to encourage the use of public transit. A typical TOD neighborhood “has a center with a rail or bus station, surrounded by relatively high-density development, with progressively lower-density spread outward” (Victoria Transport Policy Institute, 2003). Usually, a TOD is located within one-half mile of a public transit station.

According to the study conducted by California Department of Transportation, major benefits provided by TOD include: provide more mobility choices, increase public safety, increase transit ridership, reduce rates of vehicle miles traveled, increase household’s disposable income, reduce air pollution and energy consumption, help conserve land and open space, promote economic development, reduce infrastructure costs, and contribute to more affordable housing.

Transit Oriented Development may be applied to new suburban neighborhoods designed around public transit. It can also include incremental changes to existing neighborhoods that have public transit (Victoria Transport Policy Institute, 2003). “Successful TOD implementation typically involves a number of elements such as: optimal transit system design; community partnerships; understanding local real estate markets; planning for TOD; coordination among local, regional, and state organizations; and providing the right mix of planning and financial incentives and resources” (California Department of Transportation, page 2).

There are a number of TODs that are performing well in the market place across the United States. For example, the Sunnyside Transit Village is a TOD located about 10 miles from downtown Portland. It includes apartments, townhomes, single-family detached residences, and professional offices surround a core of retail and public services around a transit station. The TOD is developed in a dense and walkable setting that allows the residents to satisfy more of their needs without adding to regional highway traffic congestion (Victoria Transport Policy Institute, 2003).

Conservation Residential Development

The Conservation Residential Development, also called Cluster Residential Development, is the grouping of housing units in specific areas of a site to allow the remaining land to be used for recreation, common open space, or preservation of environmentally sensitive areas. The main objective of the Conservation/Cluster development is to allow residential development while still protecting the area’s environmental features, allowing for more open space, and protecting farmland and the character of rural communities (Church, 2000). The total number of housing units on the entire site usually is no greater than would be allowed by otherwise applicable local laws and regulations.

Conservation/Cluster Residential Development has been very popular in rural areas of the eastern United States (Blair, 1999). It is still somewhat new to many Midwestern communities. In recent

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years, Lake County and some municipalities have incorporated Conservation/Cluster Residential Development into their zoning and subdivision regulations. As a result, more and more new residential neighborhoods are developed by using the Conservation/Cluster Residential Development approach.

One such Conservation/Cluster Residential Development in Lake County is Prairie Crossing, which is located in Grayslake. Prairie Crossing has been designed to combine development with the preservation of open space, including wetlands, lakes, and organic farms. Homes sites are clustered in certain areas leaving 60% of the 678-acre site open (Prairie Crossing).

Conservation/Cluster Residential Development may provide many advantages to the community, developer and homeowners (Blaine, 1999):

- Community: Community may benefit because Conservation/Cluster Residential Development usually provides open space, protects environmental resources and preserves community character.
- Developer: Developers often experience less site development costs and may increase the marketability of the development.
- Homeowners: Homeowners may feel a sense of community, less housing maintenance and higher quality of life.

Conservation/Cluster Residential Development is an innovative approach for residential development, but it may not fit the goals of every community.

Transfer of Development Rights

Conservation or Cluster Development usually applies to only one single site on a large parcel or several adjacent parcels with the same owner. When the parcels are not adjacent to each other or involve different landowners, another land use planning tool called Transfer of Development Rights (TDR) can be used. TDR is a program for transfer of blocks of development rights from one individual property owner to another (Barnes, Brent C., 1997: p241). For example, the “right” to develop four housing units permitted by zoning on an acre of property could be sold to another site and combined with the base entitlement there. The seller retains all interest in the land itself and in whatever legal use(s) existed at the time of the transfer, but loses all ability to further develop the site.

The area from which the development rights are transferred is called TDR sending area. The area that receives the development rights is called the TDR receiving area. The TDR sending areas are generally areas that need to be protected or preserved or areas that are not suited for residential development. Such areas include, but are not limited to, areas with concentration of environmental resources, forest areas, farmland, and areas impacted by severe airport noise.

TDR receiving areas should meet the following criteria:

- Be located near (within one-half mile of) public transit, or near roadways capable of handling higher traffic volumes, or near employment centers;
- Have adequate infrastructure and services;
- Not contain environmentally sensitive areas and environmental resource areas; and
- Have a community character compatible to residential development.

In many cases it may be desirable, although not always necessary, that the TDR sending area and TRD receiving areas be located in the same school district. In all cases, the establishment of TDR receiving areas must take into consideration the impact of the new development on the receiving school district and other tax districts.

Current Illinois state law does not allow Transfer of Development Rights unless the county or municipality is a home rule unit. Since Lake County and most of the municipalities in the County are not home rule units, seeking new legislations to allow TDR is the first step for Lake County and municipalities that are interested in TDR.

Before any state law that allows TDR is in place, Lake County and other non-home rule communities should consider modifying their regulations to provide density bonuses for residential developments in some areas in exchange for deed restriction or public land donations in other areas. The number of bonus units shall not exceed the number of units that could have been built on the land that is to be subject to deed restrictions or donated for public use, taking into account zoning and all applicable development standards. Bonus units should not be granted for placing deed restrictions on land that is already unbuildable, due to floodplains, non-mitigatable wetlands, or other constraints. A density bonus program should take into account all of the objectives presented for TDR programs, including consideration of impacts on school districts and other tax districts.

Housing Demand for Senior Citizens

Figure 8.9 shows population growth trends for the age group of 65 years and over, commonly referred to as Senior Citizens. During the last 30 years, the population of this age group grew 129%, or a net increase of approximately 1,000 persons per year. At the same time, the growth rate for the total population was only 68% in Lake County.

By the year 2020, persons born between 1946 and 1964 (often referred to as Baby Boomers) will be entering the “65+ Years” age group. The population in this age group will increase significantly across the country. Based on NIPC’s forecast, the population for this age group in the Six-County² Region will reach 1,324,197 or 14.6% of the total population by the year 2020 compared to only 870,552 or 10.8% of the total population in 2000. Assuming Lake County experiences the same rate of percentage change as the region, the population of this age group in Lake County could reach 93,690 by the year 2020, or a net increase of 1,935 senior citizens per year for the next 20 years.

Figure 8.9
The Population of 65 Years and Over in Lake County, 1970-2000

	Census 1970	Census 1980	Census 1990	Census 2000
Population of 65+ Years	24,015	31,812	43,422	54,989
% of Total Population	6.3%	7.2%	8.4%	8.5%

Sources: U.S. Census Bureau, Census 1970, 1980, 1990, and 2000

Since the household size for the population of 65 years and over is generally smaller than the average, housing demands of this age group is stronger. Using the same ratio of 65 years and over householders to the population of 65 years and over in 2000, it has been calculated that the number of households with a 65 years and over householder will reach more than 55,619 in 2020,

² The Six-County Region consists of Cook, DuPage, Kane, Lake, McHenry and Will counties.

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compared to 32,640 in 2000. This is a net increase of nearly 23,000 households during the next 20 years or an average of 1,150 a year.

There are three choices when people retire: stay in their current homes, move locally, or leave the area. They may move several times after the age of 65 (Williamson, 2002). Since Lake County is not a destination for retirees, it is more likely that most of the people in the age group of 65 years and over in Lake County have been living in the County or the surrounding areas. Some of the people in this age group may choose to stay at their current homes. Others may be eager to get rid of yard and house maintenance headaches by moving to smaller, high-quality, owner-occupied housing. Their interest could spur communities to add new infill housing at higher densities (Williamson, 2002).

As discussed earlier in the chapter, housing value in Lake County is high in many communities and has been increasing faster than income. For those senior citizens who have limited income, real estate taxes can become a heavy burden. Currently, there are several tax exemptions or programs available to assist senior citizens in Lake County. According to the County Treasurer's office, these tax exemptions or programs include:

- Senior Homestead Exemption: This exemption lowers the equalized assessed value (one-third of market value) by \$2,000. This program is available to all senior citizens.
- Senior Citizens Assessment Freeze Homestead Exemption: This exemption freezes the assessment on the properties of senior citizens with a maximum household income of \$40,000.
- Senior Citizens Real Estate Tax Deferral Program: This program is designated to allow senior citizens to defer payment of part or all of the property taxes on their personal residences. This program also requires a household income of \$40,000 or less.
- Senior Citizens Circuit Breaker Grants: This program provides grants to low-income senior citizens. The amount of the grant is based on the amount of property tax and household income. To qualify for this grant, the total annual household income must be no more than \$21,218 for a one-person household; \$28,480 for a two-person household; or \$35,740 for a three-person household.

Assisted Housing

Assisted housing in Lake County includes conventional public housing units, Section 8 Housing Choice Vouchers, Section 8 Project-based housing assistance, affordable housing developments supported by the Community Development Block Grant (CDBG) Program and the Home Investment Partnerships (HOME) Program, state programs funded through the Illinois Housing Development Authority (IHDA), and the Low-Income Housing Tax Credit (LIHTC) Program (which is administered by IHDA). These programs provide assistance to households with incomes no greater than 80% of the Chicago metro area median income.

These housing programs provide housing assistance to meet the needs of those low-income households who cannot afford decent, safe, and sanitary housing at market rate. According to the U.S. Department of Housing and Urban Development (HUD), low-income is defined as 80% of the median family income for the area, subject to adjustments for areas with unusually high or low incomes or housing costs (HUD, February 20, 2003). A family of four with an annual income of no more than \$56,500 in 2003 is considered a low-income family in Lake County. In

addition, the County in 2000 began funding an Affordable Housing Program (using general revenues) for households with incomes up to 100% of the area's median household income.

There are 1,217 public housing units in Lake County, which are administered through three Public Housing Authorities (PHA): Lake County PHA, North Chicago PHA and Waukegan PHA. Forty-nine percent of the public housing units are located in Waukegan and North Chicago.

The Section 8 program provides rental assistance for income-eligible households to rent appropriate permanent housing. This program includes tenant-based Housing Choice Vouchers and project based Section 8 assistance. Under the Housing Choice Voucher program, voucher holders can choose where they would like to live in the County. Even so, they are mostly concentrated in North Chicago, Waukegan, Zion, the Round Lake region, and in Warren Township (Lake County Consortium, Consolidated Plan 2000:56). There are 3,450 Section 8 Housing Choice vouchers that are administered through the three housing authorities, 69% of which are through the Lake County Housing Authority.

Under the project-based Section 8 program, specific units in a privately owned HUD-assisted project are designated for Section 8 subsidies. Because Section 8 contracts between the private owner and HUD are for a limited period of time (usually 20 years), many projects that started off with Section 8 assistance no longer have subsidies. Presently, there are over 1,700 Section 8 project-based units in Lake County. They are located throughout the County.

IHDA programs include financial assistance for the development of affordable rental housing for low-income households. The LIHTC program provides tax credits to investors who provide financing for the development of rental housing, a portion of which is required to be affordable to low-income persons. There are 39 IHDA-assisted projects in Lake County (including LIHTC projects) consisting of 4,507 units. Some of these units also have project-based Section 8 assistance and may be included in the numbers above. (Illinois Housing Development Authority, Report on Assisted Housing, May 2002)

The affordable housing activities supported by the HOME and CDBG programs include: rental housing construction and rehabilitation; construction of new single-family homes; downpayment assistance to first-time homebuyers; and rehabilitation of owner-occupied single-family homes. Thus far, countywide, including North Chicago and Waukegan, HOME and CDBG funds have assisted in the construction of 176 new rental units, the rehabilitation of 81 rental units, construction of over 70 new single-family homes, downpayment assistance to 939 households under the First-Time Homebuyers Program, and the rehabilitation of over 240 owner-occupied homes.

The County Affordable Housing Program has been funded at a level of \$300,000 per year from 2000-2003. In 2004 the program has been funded at a level of \$500,000. The \$1,700,000 allocated to date under this program has included funding for: the development of 32 single-family homes; down payment assistance to first-time home buyers; transitional housing for victims of spousal abuse and their children; a residence for persons with developmental disabilities; rehabilitation of rental housing; and acquisition and rehabilitation of single-family homes.

Some of the projects mentioned above are through cooperative partnerships between public and private entities. Other innovative approaches such as land banking, covenant restrictions, and community land trusts should also be considered as methods to provide housing assistance to low-income families.

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Land banking is the process of purchasing land and holding it for future use. A government agency or non-profit organization may use this technique to purchase land at today's prices and develop the land in the future for a definite public purpose. For example, Boulder Housing Partners, a non-profit organization in Boulder, Colorado, has held land for 10 to 15 years before the land was developed into residential communities that provide some affordable housing. Covenant restrictions can also be used in providing housing to low-income families at below the market rate.

A community land trust is a nonprofit organization that owns real estate in order to provide benefits to its local community; making land and housing more affordable to residents. The land is held permanently by the CLT and is leased to the homeowners that are located on the land. When a homeowner decides to sell, the lease requires the homeowner to sell back to the CLT or to another lower income household at an affordable price (Institute for Community Economics, 2003).

The Affordable Housing Planning and Appeal Act

On January 1, 2004, the Illinois Affordable Housing Planning and Appeal Act (P.A. 93-595/P.A. 93-678) went into effect. This law requires all counties and municipalities where less than 10% of housing is affordable housing, to adopt affordable housing plans. Counties and municipalities where 10% or more of the total year-round housing units are affordable, are exempt from the law, as are municipalities under 1,000 in population.

Under the law, in non-exempt communities, developers proposing affordable housing projects, which are denied or which are approved with infeasible conditions, may appeal local decisions to the State Housing Appeals Board. This board will be activated in January of 2009. The Illinois Housing Development Authority (IHDA) is to publish an annual list of exempt and non-exempt local governments beginning October 1, 2004 (Dibble, 2004).

Non-exempt municipalities and counties must prepare an affordable housing plan by April 1, 2005. An affordable housing plan must consist of at least the following:

1. A statement of the total number of affordable housing units that are necessary to exempt the local government from the operation of this Act;
2. An identification of lands within the jurisdiction that are most appropriate for the construction of affordable housing and of existing structures most appropriate for conversion to, or rehabilitation for, affordable housing, including a consideration of lands and structures of developers who have expressed a commitment to provide affordable housing and lands and structures that are publicly or semi-publicly owned;
3. Incentives that local governments may provide for the purpose of attracting affordable housing to their jurisdiction; and
4. A goal of a minimum of 15% of all new development or redevelopment within the local government that would be defined as affordable housing in the Act; or a minimum of a three percentage point increase in the overall percentage of affordable housing within its jurisdiction, as defined in this Act; or a minimum of a total of 10% of affordable housing within its jurisdiction.

Within 60 days after the local adoption of an affordable housing plan or revisions to its existing affordable housing plan, the non-exempt local government must submit a copy of that plan to IHDA (Dibble, 2004). Please contact the Illinois Housing Development Authority for more information.

Lake County is exempt from the law. According to IDHA’s analysis, 23.3% of the housing units in the unincorporated County are affordable. However, according to IDHA, the following 20 Lake County municipalities must comply with the provisions of the law:

- | | |
|------------------|------------------|
| Barrington Hills | Lake Forest |
| Deer Park | Lake Zurich |
| Deerfield | Lincolnshire |
| Green Oaks | Lindenhurst |
| Hainesville | Long Grove |
| Hawthorn Woods | North Barrington |
| Highland Park | Riverwoods |
| Kildeer | Third Lake |
| Lake Barrington | Tower Lakes |
| Lake Bluff | Wadsworth |

Lake County Programs for Affordable Housing

Lake County is prepared to offer both technical and financial assistance to municipalities seeking to implement the Affordable Housing Planning and Appeal Act. This *Plan* contains a significant amount of research and analysis regarding demographic, economic, housing, and land use patterns and trends. This *Plan* can provide the statistical data required for each municipality’s Affordable Housing Plan. Staff of the Planning and Support Services Division is available to assist municipal officials in analyzing policy options and developing strategies to achieve housing goals. Please contact the Planning and Support Service Division of the Lake County Department of Planning, Building and Development for assistance (Rovang, 2004).

The Lake County Consortium’s HOME/CDBG Housing Fund and the Lake County Affordable Housing Program can assist in financing the development of new affordable housing opportunities. Both programs can assist governmental entities, non-profit organizations, or for-profit developers in creating new rental and owner-occupied residential units for income qualified households.

The Lake County Community Development Division has staff available to assist municipalities in the development of an affordable housing project and/or program. Please contact the Community Development Division of the Lake County Department of Planning, Building and Development to discuss how the Housing Fund or the Affordable Housing Program can assist a municipality in creating affordable housing opportunities (Rovang, 2004).

Military Housing

Most Navy personnel live in group housing at the Great Lakes Naval Training Center located in North Chicago. Some live in the family housing units located within or around the base. The Great Lakes Naval Training Center owns and manages approximately 2,300 family housing units in Lake County. Two thousand of these units are located in North Chicago. Three hundred of them are located in Fort Sheridan. These military housing units are included in the Census and account for approximately 1% of the total housing units and 5% of the rental housing units in Lake County for Census 2000. Other Navy personnel and their families receive housing subsidy and live off the base. They may own or rent houses or apartments anywhere in Lake County or adjacent counties.

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In 2003, the federal government proposed to reform military housing. Instead of owning and managing military housing, the federal government wants to privatize military housing. All eligible military personnel will receive housing subsidy and can rent or buy homes wherever they choose. Privatized military housing will give rental preferences to military personnel.

This reform could have potential impact on Lake County's housing market. Although the total number of military housing units that could be privatized accounts for only 5% of the total rental housing in Lake County, it accounts for more than 40% of North Chicago's rental housing units.

Housing Demand and Forecast

Chapter 2, Population, of this document includes the population forecast that was developed by the Lake County Department of Planning, Building and Development based on the NIPC's 2030 population forecasts. The Lake County Regional Planning Commission accepted the population forecast on January 6, 2004. The population forecast is the basis for the household forecast utilized in this chapter. From the household forecast, a forecast for housing unit needs by Cooperative Planning Area has been developed as shown in Figure 8.10. The forecast of housing units is based on the assumption that the housing vacancy rate for each Cooperative Planning Area stays at a level similar to that of 2000.

In order to accommodate the projected population and household growth, Lake County will need approximately 55,500 additional housing units by 2020. This translates into a net increase of 2,775 housing units per year for the next 20 years. The total number of new housing units constructed will be slightly higher due to teardowns. This is significantly less than the number of units constructed annually in Lake County for the period of 1998 to 2002, which averaged over 4,000 units per year.

Figure 8.10
Housing Units Forecast by Cooperative Planning Areas

Cooperative Planning Areas	2000 Census*		2020 Forecast^		Net Increase 2000-2020	
	Households	Housing Units	Households	Housing Units	Households	Housing Units
Lakes Region	24,403	26,573	32,754	35,667	8,351	9,094
North Central	18,489	19,004	23,787	24,450	5,298	5,446
Northeast	52,477	55,458	62,692	66,253	10,215	10,795
West Central	8,457	8,968	16,833	17,850	8,376	8,882
Greater Avon	20,428	21,129	29,744	30,765	9,316	9,636
Central Lake County	27,587	28,383	31,392	32,298	3,805	3,915
Southeast	29,525	30,514	29,764	30,761	239	247
Greater Barrington	6,612	6,859	7,259	7,530	647	671
Southern Route 12	13,026	13,272	17,774	18,110	4,748	4,838
South Central	15,293	15,759	17,435	17,844	2,142	2,085
Lake County Total	216,297	225,919	269,434	281,528	53,137	55,609

Sources: *U. S. Census Bureau, Census 2000

^Housing Units forecast is based on the population estimate taking into consideration changes in household size, as forecast by NIPC.

As shown in Figure 8.10 the increase of housing units will not be evenly distributed among the ten Cooperative Planning Areas.³ The Northeast Cooperative Planning Area is expected to have the largest growth with a net increase of nearly 11,000 units; while the Southeast Cooperative Planning Area is only expected to grow an additional 247 units by 2020.

Goals and Policies⁴

- 8.1 Goal:** Lake County and municipalities will cooperatively plan for housing to meet the needs of the County’s growing population in a manner consistent with local planning objectives and this *Regional Framework Plan*.
 - 8.1.1 Policy: To the greatest extent possible, residential development should occur within municipalities, based on this *Regional Framework Plan*.
 - 8.1.2 Policy: To the greatest extent possible, designate sufficient residential uses on the Future Land Use Map in areas other than those identified as High Priority Open Space to accommodate future housing.
 - 8.1.3 Policy: Seek state legislation to allow Transfer of Development Rights as a tool to encourage higher density housing in areas near existing and programmed public transit and infrastructures in exchange for land development restrictions located in areas less suitable for development due to limited infrastructure availability or environmental limitations.
 - 8.1.4 Policy: Streamline government approval processes to optimize the time for development review and approval.

- 8.2 Goal:** Encourage a diverse variety of housing units to meet the needs of Lake County residents of different demographic groups and economic levels in a manner consistent with local planning objectives and this *Regional Framework Plan*.
 - 8.2.1 Policy: Designate a variety of housing densities on the Future Land Use Map to accommodate single-family and multifamily housing units.
 - 8.2.2 Policy: Encourage more upscale housing development in communities with a large percentage of affordable housing.
 - 8.2.3 Policy: Promote more affordable housing development in communities with a large percentage of upscale housing and that are also located near transit and employment centers.
 - 8.2.4 Policy: Support the development of appropriate housing for senior citizens of all income levels in proximity to shopping, mass transit, and recreational and medical facilities.
 - 8.2.5 Policy: Encourage the development of appropriate housing to serve people with disabilities through the use of federal, state, and local funds.

³ See Chapter 1, Introduction, for the explanation and boundaries of the ten Cooperative Planning Areas.
⁴ As stated in Chapter 1, Introduction, a Goal is defined as “the desired result to be achieved by implementing the *Plan*,” and a Policy is defined as “a general method or action designed to achieve a goal.”

- 8.3 Goal:** Support the supply of workforce housing near existing and planned employment centers in order to accommodate the workforce needed to maintain a healthy economy.
- 8.3.1 Policy: Establish incentives and inducements with the state government and local employers to provide more workforce housing in areas near employment centers.
- 8.3.2 Policy: Encourage employers to participate in Employer-Assisted Housing programs to help employees purchase homes near their work.
- 8.3.3 Policy: Encourage the development of workforce rental housing in areas near employment centers.
- 8.4 Goal:** Provide incentives for businesses to locate in areas of the County where there is appropriate workforce available.
- 8.4.1 Policy: Update and improve the critical infrastructure needs of these areas through federal, state and local programs.
- 8.4.2 Policy: Support the improvement of the revitalization areas as identified in Chapter 6, Community Revitalization.
- 8.4.3 Policy: Coordinate demographic, housing, and employment information with economic development agencies in Lake County.
- 8.5 Goal:** Preserve, maintain, and expand affordable housing in Lake County.
- 8.5.1 Policy: Encourage rehabilitation of existing affordable housing units by continuing to offer rehabilitation grants/loans to eligible households.
- 8.5.2 Policy: Support innovative approaches such as land banking, covenant restrictions, cooperative partnerships, and community land trusts as methods to encourage the preservation of existing affordable housing, and to encourage the creation of new affordable housing.
- 8.5.3 Policy: Consider supporting development of manufactured home communities, as appropriate, only when Illinois tax code is changed to ensure manufactured homes are taxed equitably to support public services.
- 8.5.4 Policy: Encourage, consider, and explore more options for affordable housing including promoting and marketing the successful pilot programs implemented within the County.
- 8.6 Goal:** Encourage residential development in areas with access to public transit and near roadways capable of handling higher traffic volumes; discourage residential development in areas with infrastructure constraints or environmental limitations.
- 8.6.1 Policy: Encourage higher density housing to locate in areas near existing and programmed public transit, infrastructures, and employment centers.

- 8.6.2 Policy: Lake County will consider modifying its regulations to provide residential density bonuses for areas more suitable for development in exchange for development restrictions in areas less suitable for development.
- 8.6.3 Policy: Encourage home rule municipalities in Lake County to consider using Transfer of Development Rights in their land use policies and ordinances such as comprehensive plans, zoning, and subdivision regulations.
- 8.6.4 Policy: Encourage conservation or cluster residential development in the appropriate areas of the County.

Definitions

Affordable Housing: In this document, affordable housing is defined as housing with a value no more than 2.5 times the median household income of Lake County.

Average Household Size: A measure obtained by dividing the number of people in households by the total number of households (2000 Census of Population and Housing, Demographic Profiles: Illinois, May 2002, User Notes: Source of Data, Data Issues, and Definitions).

Conservation Residential Development (Cluster Residential Development): Conservation or Cluster Residential Development is the grouping of housing units in specific areas of a site to allow the remaining land to be used for recreation, common open space, or preservation of environmentally sensitive areas.

Employment Center: Employment centers are defined as quarter sections (1/2 mile by 1/2 mile square) with employment counts of 2,000 or more, based on the 2000 employment data from Northeastern Illinois Planning Commission.

Homeowner Vacancy Rate: The homeowner vacancy rate is the proportion of the homeowner-housing inventory that is vacant for sale. It is computed by dividing the number of vacant units for sale only by the sum of owner-occupied units and vacant units that are for sale only (2000 Census of Population and Housing, Demographic Profiles: Illinois, May 2002, User Notes: Source of Data, Data Issues, and Definitions).

Home rule unit: A County which has a chief executive officer elected by the electors of the County and any municipality which has a population of more than 25,000 are home rule units. Other municipalities may elect by referendum to become home rule units. A home rule unit may exercise any power and perform any function pertaining to power to regulate for the protection of the public health, safety, morals and welfare; to license; to tax; and to incur debt (Constitution of the State of Illinois, Article VII, Section 6).

Household: A household includes all of the people who occupy a housing unit. People not living in households are classified as living in group quarters (2000 Census of Population and Housing, Demographic Profiles: Illinois, May 2002, User Notes: Source of Data, Data Issues, and Definitions).

Housing Unit: A housing unit may be a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have direct access from outside the building or through a common hall (2000 Census of Population and Housing, Demographic Profiles: Illinois, May

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2002, User Notes: Source of Data, Data Issues, and Definitions).

Low-income: Low-income in Lake County is defined as 80% of the median family income for the Chicago Metropolitan area. Adjustments are made to the low-income limits in Lake County to reflect the high housing costs in the Chicago Metropolitan area.

Manufactured Housing: Manufactured housing is the type of housing built within a factory under the 1976 Department of Housing and Urban Development (HUD) Manufactured Housing Code, commonly referred to as “HUD Code Housing” (American Planning Association, March 12, 2001).

Median Household Income: The median divides the total households into two equal parts: 1/2 of the households having income below the median income and 1/2 above the median (2000 Census of Population and Housing, Demographic Profiles: Illinois, May 2002, User Notes: Source of Data, Data Issues, and Definitions).

Median Housing Value: The median divides the housing value distribution into two equal parts: one-half of the housing value falling below the median value of the property and one-half above the median (2000 Census of Population and Housing, Demographic Profiles: Illinois, May 2002, User Notes: Source of Data, Data Issues, and Definitions).

Multifamily Housing Units: Multifamily housing units include all units in buildings with two or more housing units, which may be one above the other or side-by-side. If built side-by-side, they (1) do not have a wall that extends from ground to roof, or (2) share a heating system, or (3) have interstructural public utilities such as water supply/sewage disposal.

Programmed Public Transit: Refers to funded public transit or public transit that has been included in a 5-year Capital Improvement Program.

Rental Vacancy Rate: The proportion of the rental inventory that is vacant for rent. It is computed by dividing the number of vacant units for rent by the sum of the renter-occupied units and the number of vacant units for rent (2000 Census of Population and Housing, Demographic Profiles: Illinois, May 2002, User Notes: Source of Data, Data Issues, and Definitions).

Senior Citizens: Senior citizens are defined as persons of 65 years and older.

Single-Family Housing Units: Single-family housing units include all detached one-family houses. They also include all attached one-family houses separated by a wall that extends from ground to roof with no common heating systems or interstructural public utilities. They exclude mobile homes.

Transfer of Development Rights (TDR): A program for transfer of blocks of development rights from one individual property owner to another. (American Planning Association, New Jersey Chapter, Barnes, Brent C., *Complete Guide to Planning in New Jersey*, 1997)

Transit Oriented Development (TOD): Transit Oriented Development refers to land uses designed and located to encourage the use of public transit. TOD projects attempt to attract transit riders and promote cycling and walking by integrating the transit system with other community activities such as employment, retail, and services.

Units in Structure: A structure is a separate building that either has open spaces on all sides or is separated from other structures by dividing walls that extend from ground to roof. In determining the number of units in a structure, all housing units, both occupied and vacant, are counted (2000

Census of Population and Housing, Demographic Profiles: Illinois, May 2002, User Notes: Source of Data, Data Issues, and Definitions).

Vacant Housing Unit: A housing unit is vacant if no one is living in it at the time of enumeration, unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere are also classified as vacant (2000 Census of Population and Housing, Demographic Profiles: Illinois, May 2002, User Notes: Source of Data, Data Issues, and Definitions).

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