

CITY OF NAPERVILLE
Steve Chirico, Mayor

CITY CLERK'S OFFICE

2020-2024
CONSOLIDATED PLAN
2020 ANNUAL
ACTION PLAN
(YEAR 1)



City of Naperville, City Clerk's Office, 400 S. Eagle St., Naperville, IL 60540

Executive Summary

ES-05 Executive Summary – 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Naperville is a Community Development Block Grant (CDBG) entitlement community as defined by Title I of the Housing and Community Development Act of 1974. Naperville receives an annual block grant that can be used to address critical and unmet community needs, including housing rehabilitation, public facilities, infrastructure, economic development and public services. Grants are allocated by the U.S. Department of Housing and Urban Development (HUD) on a formula basis.

The Consolidated Plan is a planning document that CDBG entitlement communities are required to submit every five years. This document is designed to help communities to assess their affordable housing, homeless and non-housing community development needs and market conditions, set goals and objectives, and develop funding priorities for their CDBG programs based on an analysis of this data. The most recent Consolidated Plan covered Program Years 2015-2019 and the proposed Consolidated Plan will cover Program Years 2020-2024, beginning April 1, 2020 and ending March 31, 2024.

Naperville is a member of the DuPage County Consortium which includes DuPage County, Downers Grove and Wheaton, as well as Naperville. Participating in the Consortium enables Naperville residents to benefit from federal funding programs in addition to CDBG. The lead agency for the DuPage County Consortium is DuPage County. DuPage County's Consolidated Plan can be viewed on the County's website at:

http://www.dupageco.org/Community_Services/Community_Development_Commission/1310/

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The Consolidated Plan summarizes the City's non-housing community development needs and assets and presents a Strategic Plan for the 2020-2024 period. The Strategic Plan prioritizes both non-housing community development needs, and housing and homeless needs and presents goals in all three categories.

High priority needs and goals are summarized below:

Housing

- **Affordable Renter-Occupied Housing** - Preserve and increase the supply of affordable renter-occupied housing through housing rehabilitation, acquisition and new construction.
- **Affordable Renter-Occupied Housing** - Preserve and increase the supply of affordable owner-occupied housing through housing rehabilitation, acquisition and new construction.
- **Special Needs Housing** - Preserve and increase the supply of housing with supportive services for special needs populations, including elderly and disabled persons through housing rehabilitation, acquisition and new construction.

Neighborhood Investment – Public Improvements, Public Facilities and Public Services

- **Public Improvements** – Maintain the City’s infrastructure through investment in water/sewer, streets, and other infrastructure, as needed.
- **Public Facilities** – Ensure that public facilities are ADA-compliant and that there are sufficient facilities available for special needs populations, such as elderly persons and persons with disabilities. Support facility improvements to prevent and respond to impacts of COVID-19.
- **Public Services** – Provide public services to address the special needs of vulnerable populations, such as elderly, persons with disabilities and youth; and to help low-income residents achieve greater self-sufficiency. Assist residents impacted by job losses and reductions in income due to COVID-19. Use public services to prevent COVID-19 among vulnerable populations. Provide technical and financial assistance to small businesses impacted by the COVID-19 pandemic.

Homeless

Assist homeless individuals and families at all points in the Continuum of Care, or cycle of homelessness.

- **Homelessness Prevention** – Prevent homelessness through outreach to at-risk households and assistance with basic needs, such as rent, mortgage and utility assistance. Provide assistance to prevent homelessness among persons whose income has been reduced or disrupted due to COVID-19.
- **Homeless Housing** – Support housing for the homeless, including emergency housing, transitional housing, and permanent housing with supportive services for chronically homeless persons.
- **Homeless Public Services** – Support public services that help the homeless to gain life skills and self-sufficiency.

3. Evaluation of past performance

The CDBG program provides an extraordinary benefit to the City of Naperville and the City is committed to compliance with all HUD regulations and requirements. From 2015-2019, the City of Naperville used its CDBG funds to assist in the rehabilitation of owner and renter-occupied housing affordable to low

and moderate-income residents, provided for the acquisition and rehabilitation of transitional housing for homeless people and people with disabilities, upgraded public facilities to achieve full compliance with the Americans with Disabilities Act (ADA), provided emergency rent and utility assistance to households at-risk of homelessness and helped to provide social services to help formerly homeless households remain housed.

The City of Naperville achieved a timeliness ratio less than 1.5 times its annual grant allocation in each year between 2015 and 2019.

4. Summary of citizen participation process and consultation process

The Citizen Participation Process is conducted according to public participation policies and procedures detailed in the City's CDBG Standard Procedures manual. The process includes at least two public meetings or hearings and a public comment period for citizens to provide feedback on proposed plans. This year, a public meeting/information session took place on August 28, 2019 and a public hearing was held on March 17, 2020. Public comments were received from February 17, 2020 to March 17, 2020. During subsequent months, the Consolidated Plan was updated to include information on the impacts of the COVID-19 pandemic. A second public comment period took place from July 17, 2020 to July 21, 2020 to receive comments on the updated plan, with a public hearing on July 21, 2020. This process also included amendments to the City's Citizen Participation Plan to permit virtual public hearings when in-person hearings are not advisable for public health reasons and to reduce the period required for reasonable notice and public comment from 30 days to 5 days.

On November 9, 2020, the City received notice of a reduction in its PY 2020 allocation from \$537,144 to \$537,062, a decrease of \$82. Per the criteria for amendments described in the City's Citizen Participation Plan, this change did not trigger a Substantial Amendment or additional public participation requirements.

In addition to the public hearings, extensive consultation was undertaken with government and non-profit organizations by both the City of Naperville and DuPage County. This consultation is further described in ***Section PR-10 Consultation***.

5. Summary of public comments

No public comments were received.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments or views were not accepted.

7. Summary

During the 2015-2019 Consolidated Plan period, the City of Naperville used CDBG funds to assist over 50 projects benefitting low and moderate-income residents through a variety of activities. Since requests for funding always outstrip available resources, the City must allocate funds to the highest priority projects that make the most cost-efficient use of these limited funds. The proposed 2020-2024 Consolidated Plan builds on these efforts using new data to develop new policies and programs. Funds will be allocated to programs to prevent, prepare for and respond to the COVID-19 pandemic, with a focus on assisting low- and moderate-income residents and small businesses.

The Process

PR-05 Lead & Responsible Agencies - 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	NAPERVILLE	City Clerk's Office

Table 1– Responsible Agencies

Narrative

Naperville Role: The City of Naperville is a Community Development Block Grant (CDBG) entitlement community as defined by Title I of the Housing and Community Development Act of 1974. This means that Naperville is eligible to receive an annual grant that can be used to address critical and unmet community needs, including those for housing rehabilitation, public facilities, infrastructure, economic development and public services. The CDBG Program is administered by the U.S. Department of Housing and Urban Development (HUD), which allocates CDBG funds annually on a formula basis. Counties and entitlement municipalities are required to submit a Consolidated Plan (ConPlan) every five years.

The City of Naperville *City Clerk’s Office* has full responsibility for implementing Naperville’s CDBG program, including administering all grants, preparing the Naperville sections of the Consolidated Plan and preparing Naperville’s Annual Action Plan (AAP).

The ConPlan analyzes affordable housing and community development needs and market conditions and uses the data to develop five-year funding priorities for CDBG and other federal programs. Naperville’s ConPlan includes its own housing market analysis and needs assessment, analysis of non-housing community development needs and strategic plan. The AAP outlines the actions, activities and programs that the City will undertake during each program year to address the ConPlan priorities and goals. The AAP explains how these projects will move the goals of the ConPlan forward. The City Clerk’s Office works closely with other city departments, including the Transportation, Engineering and Development (TED) Business Group, Department of Public Works and Finance Department to prepare both the ConPlan and AAP.

DuPage County Role: DuPage County is the Lead Agency of the DuPage County HOME Consortium. Naperville is a Participating Jurisdiction in the Consortium. As Lead Agency, the Consortium is responsible for administration of HOME funds available to DuPage County and the Participating Jurisdictions. Membership in the HOME Consortium allows Naperville access to HOME funding that can

be used to finance affordable housing projects that are not eligible for CDBG funding. DuPage County is also responsible for submitting the ConPlan and AAP's on behalf of all members of the Consortium.

In addition to Naperville and DuPage County, the DuPage County HOME Consortium also includes the municipalities of Downers Grove and Wheaton. The three municipalities all qualify as entitlement communities for the CDBG Program, but Wheaton and Downers Grove are joint recipients with DuPage County while Naperville receives its own CDBG allocation.

Consolidated Plan Public Contact Information

Naperville - Community Development Block Grant (CDBG) Program

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PR-10 Consultation - 91.100, 91.110, 91.200(b), 91.300(b), 91.215(l) and 91.315(l)

1. Introduction

Naperville consulted with a wide variety of governmental and non-governmental agencies and organizations, using techniques that included public meetings and hearings, board and commission presentations, surveys, task force meetings, focus groups and stakeholder interviews. Highlights of these efforts and the participants is provided below:

- **Kickoff Meeting:** A public meeting/information session was held on Wednesday, August 28, 2019 to provide an explanation of the Consolidated Plan and Annual Action Plan, and a review of the City's current funding policies and priorities.
- **Non-Housing Community Development Needs:** Using a survey on Municipal Needs as a starting point, staff consulted with City departments and other local government and private agencies on the City's public facility, infrastructure, planning and economic development needs. City departments consulted included the Department of Public Works; IT Department, Transportation, Engineering and Development Business Group; and Water Utility. Other governmental and stakeholder groups included the Naperville-Area Chamber of Commerce and Naperville Park District.
- **Housing Needs and Market Analysis:** The City's Housing Needs Assessment consultant conducted focus groups on affordable housing, housing for people with disabilities, senior housing and housing for extremely low-income people, including at-risk and homeless households. Personal interviews were conducted with members of the Naperville Homeowners Confederation, DuPage Housing Alliance and local developers and realtors. The Housing Advisory Commission devoted two Commission meetings to presentations on findings and policy and program recommendations from the Housing Needs Assessment.
- **Housing and Services for Seniors and People with Disabilities:** Staff met with the Senior Task Force, Advisory Commission on Disabilities and Accessible Community Task Force to learn their views and recommendations on housing, public facility and public services needs of their constituents.
- **Anti-Poverty Strategy:** Meeting with organizations that provide social services, rent and utility assistance, and emergency and transitional housing.

The City of Naperville also consulted with DuPage County and other municipalities through its membership in the HOME Advisory Group and the DuPage Continuum of Care (DuPage CoC). The HOME Advisory Group advises the County on the use of HOME funds for affordable housing; the Continuum of Care is a coalition of public and private agencies which develops strategies to meet the needs of the homeless in DuPage County.

(Additional information on the public meeting/information session, public comment period and public hearing is provided in **AP-12, Citizen Participation.**)

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

The City of Naperville consults with the DuPage County HOME Consortium and DuPage Housing Authority regarding strategic initiatives to meet housing, health, mental health, education, social services, and community development needs. The DuPage County HOME Consortium coordinates the efforts of county-wide networks and coalitions by providing leadership; identifying priority needs, strategies, and funding opportunities; analyzing performance; and sharing knowledge with service providers, including the DuPage County Continuum of Care. The City also maintains informal contact with agencies and the public throughout the year.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The City of Naperville is a member of the DuPage County Continuum of Care (DuPage CoC), composed of public and private agencies charged with meeting the housing, health, and social service needs of the chronically homeless, families with children, veterans and other homeless populations. The long-term mission of the DuPage CoC is to develop and support effective strategies to end homelessness in DuPage County. The DuPage County Department of Community Services is the lead agency for the DuPage CoC.

Supporting agencies that implement Continuum of Care policies is a high priority for the City of Naperville's CDBG and SSG programs. City staff works closely with subrecipients and grantees to implement the goals of the DuPage County Plan to End Homelessness (2008 and updates), including homelessness prevention, outreach, rapid rehousing, maintaining/increasing affordable housing, providing supportive services and moving towards self-sufficiency. The City directly funds emergency rent/utility assistance; transitional housing for individuals and families; transitional housing for victims of domestic violence; outreach, counseling and transitional housing for youth; transitional housing and counseling for recovering substance abusers; permanent housing for chronically homeless individuals; affordable rental housing rehabilitation; and a wide variety of supportive services including mental health counseling, substance abuse prevention, food assistance and employment counseling.

Continuum of Care agencies the City of Naperville works with and supports directly include:

- *Homelessness Prevention* - Loaves & Fishes CARES Program (persons at-risk of homelessness)
- *Emergency Shelter and Transitional Housing* - 360 Youth Services (unaccompanied youth/ youth in foster care), Bridge Communities, Inc. (families with children), ChildServ (unaccompanied youth/youth in foster care), DuPage PADS (chronically homeless individuals and families,

families with children, veterans), Family Shelter Service/Metropolitan Family Services (domestic abuse - individuals and families with children), Loaves & Fishes CARES Program (families with children, veterans), Serenity House (individuals recovering from substance abuse).

- *Permanent Supportive Housing* - DuPage PADS (Olympus Place - formerly chronically homeless individuals and families)

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The City of Naperville does not receive ESG funds, but is available to provide feedback and assistance with the development of performance standards, evaluation, and development of policies and procedures for HMIS administration through the DuPage CoC.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2– Agencies, groups, organizations who participated

1	Agency/Group/Organization	360 Youth Services
	Agency/Group/Organization Type	Services-Youth
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Unaccompanied youth Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs of youth and unaccompanied youth.
2	Agency/Group/Organization	Bridge Communities
	Agency/Group/Organization Type	Housing Services-homeless Transitional Housing
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on transitional housing and supportive services. Housing and Anti-Poverty Strategy Focus Groups - provide feedback on transitional housing and homeless families.
4	Agency/Group/Organization	Community Housing Advocacy and Development
	Agency/Group/Organization Type	Housing Nonprofit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on affordable housing needs.
5	Agency/Group/Organization	DUPAGE HABITAT FOR HUMANITY
	Agency/Group/Organization Type	Housing Nonprofit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on affordable housing needs.
6	Agency/Group/Organization	DUPAGE PADS, INC
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless Nonprofit - Homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on homeless services, overnight shelter and permanent supportive housing. Housing and Anti-Poverty Strategy Focus Groups - provide feedback on homeless population.
7	Agency/Group/Organization	DuPage Senior Citizens Council
	Agency/Group/Organization Type	Services - Housing Services-Elderly Persons Nonprofit
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on senior services.
8	Agency/Group/Organization	ECUMENICAL ADULT CARE OF NAPERVILLE
	Agency/Group/Organization Type	Services-Elderly Persons Services-Persons with Disabilities Nonprofit
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Now d/b/a Riverwalk Adult Day Care.Public meeting - provide information on senior services.
9	Agency/Group/Organization	Edward Foundation
	Agency/Group/Organization Type	Services-Health Health Agency Hospital Foundation
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on health-related public service needs.
10	Agency/Group/Organization	Family Shelter Service
	Agency/Group/Organization Type	Housing Services - Housing Services-Victims of Domestic Violence Domestic Violence Shelter
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Services-Domestic Violence
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Now d/b/a Family Shelter Service/Metropolitan Family Services.Public meeting - provide information on domestic violence.
11	Agency/Group/Organization	ILLINOIS INDEPENDENT LIVING CENTER, KATHARINE MANOR APARTMENTS
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Anti-poverty Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on affordable housing and people with disabilities.
12	Agency/Group/Organization	KidsMatter
	Agency/Group/Organization Type	Services-Children Services-Youth
	What section of the Plan was addressed by Consultation?	Services-Youth and Families
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
13	Agency/Group/Organization	Literacy DuPage
	Agency/Group/Organization Type	Services-Education Services-Immigrants
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Services-Education&Literacy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
14	Agency/Group/Organization	LOAVES & FISHES COMMUNITY PANTRY
	Agency/Group/Organization Type	Services-Children Services-homeless Services-Education Services-Employment Food Pantry-Social Services
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Anti-poverty Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
15	Agency/Group/Organization	NAMI DuPage
	Agency/Group/Organization Type	Services-Persons with Disabilities Services-Mental Health
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
16	Agency/Group/Organization	NAPERVILLE HERITAGE SOCIETY
	Agency/Group/Organization Type	Museum Foundation
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs ADA Compliance
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public facilities - accessibility.
17	Agency/Group/Organization	NAPERVILLE CARES
	Agency/Group/Organization Type	Services-homeless Services-Education Services-Employment Nonprofit
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Families with children Homelessness Prevention

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Now d/b/a Loaves & Fishes CARES Program.Public meeting - provide information on public service needs and homelessness prevention.
18	Agency/Group/Organization	Project HELP
	Agency/Group/Organization Type	Services-Children Services-Victims of Domestic Violence Services - Victims Nonprofit
	What section of the Plan was addressed by Consultation?	Child Abuse Prevention
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Now d/b/a YWCA - Project HELP.Public meeting - provide information on public service needs.
19	Agency/Group/Organization	RAY GRAHAM ASSOCIATION FOR PEOPLE WITH DISABILITIES
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
21	Agency/Group/Organization	Samaritan Interfaith Counseling
	Agency/Group/Organization Type	Services-Persons with Disabilities Mental Health Counseling
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Mental Health Counseling

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Now d/b/a SamaraCare.Public meeting - provide information on public service needs..
22	Agency/Group/Organization	SENIOR HOME SHARING
	Agency/Group/Organization Type	Housing Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
23	Agency/Group/Organization	GREATER DUPAGE MYM, NOW TEEN PARENT CONNECTION
	Agency/Group/Organization Type	Services-Children Services-Youth
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Teenage Parent Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
24	Agency/Group/Organization	Turning Pointe Autism Foundation
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities Nonprofit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
25	Agency/Group/Organization	YMCA of Metro Chicago
	Agency/Group/Organization Type	Services-Children Services-Education Nonprofit
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Services-Children & Families
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
26	Agency/Group/Organization	NAPERVILLE PARK DISTRICT
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Elderly, ADA Compliance
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
27	Agency/Group/Organization	Alive NaperBridge
	Agency/Group/Organization Type	Services-Children Nonprofit Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.

28	Agency/Group/Organization	COMMUNITY CAREER CENTER
	Agency/Group/Organization Type	Services-Employment Nonprofit
	What section of the Plan was addressed by Consultation?	Public Services - Employment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.
29	Agency/Group/Organization	ChildServ
	Agency/Group/Organization Type	Housing Services-Children Nonprofit Child Welfare
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on housing and public service needs of unaccompanied youth.
30	Agency/Group/Organization	Indian Prairie School District 204
	Agency/Group/Organization Type	Services-Children Services-Education School District
	What section of the Plan was addressed by Consultation?	Youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs.

31	Agency/Group/Organization	LITTLE FRIENDS, INC
	Agency/Group/Organization Type	Housing Services - Housing Services-Persons with Disabilities Nonprofit
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service and housing needs of people with disabilities.
32	Agency/Group/Organization	MARTIN AVENUE APARTMENTS
	Agency/Group/Organization Type	Housing Services-Elderly Persons Senior Affordable Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Senior housing and service needs.
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on senior affordable housing and public service needs.
33	Agency/Group/Organization	SERENITY HOUSE
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless Nonprofit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Substance Abuse Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service needs women recovering from substance abuse.

34	Agency/Group/Organization	UCP Seguin Services, Inc.
	Agency/Group/Organization Type	Housing Services - Housing Services-Persons with Disabilities Nonprofit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service and housing needs of persons with disabilities.
35	Agency/Group/Organization	CITY OF AURORA
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - Exchange information.
36	Agency/Group/Organization	DUPAGE COUNTY HEALTH DEPARTMENT
	Agency/Group/Organization Type	Housing Services - Housing Services-Persons with Disabilities Health Agency Other government - County
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on public service and housing needs of people with disabilities.

37	Agency/Group/Organization	DUPAGE COUNTY COMMUNITY SERVICES DEPARTMENT
	Agency/Group/Organization Type	Housing Services - Housing Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Lead Agency DuPage County HOME Consortium - collaborate and exchange information on development of Consolidated Plan and CDBG and HOME projects.
38	Agency/Group/Organization	DuPage Housing Authority
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Provide information on recipients and use of Housing Choice Vouchers in City of Naperville.
39	Agency/Group/Organization	Northern Illinois Food Bank
	Agency/Group/Organization Type	Nonprofit Food Distribution Agency
	What section of the Plan was addressed by Consultation?	Food and Nutrition Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information on food and nutrition distribution to food pantries and development needs.

40	Agency/Group/Organization	Hope Fair Housing Center
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Commission Meeting - Provided information used to develop the Housing Needs Assessment/Market Analysis.
41	Agency/Group/Organization	Prairie State Legal Services
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Fair Housing Education - Provided information used to develop the Housing Needs Assessment/Market Analysis.
42	Agency/Group/Organization	Continuum of Care Agencies
	Agency/Group/Organization Type	Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Public meeting - provide information focus Group - provide information and recommendations Anti-Poverty Strategies Meeting - provide information and recommendations

43	Agency/Group/Organization	City of Naperville
	Agency/Group/Organization Type	Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources Other government - Local Non-housing community development
	What section of the Plan was addressed by Consultation?	Economic Development Market Analysis Non-housing community development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Department of Public Works, Water Utility, Transportation-Engineering-Development Business Group, IT Department Completed survey and interviews on non-housing community development needs (infrastructure, public facilities, Broadband) - provided information and recommendation.
44	Agency/Group/Organization	Evergreen Real Estate Group
	Agency/Group/Organization Type	Housing Services - Housing Affordable Housing Developer
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Senior Housing
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Stakeholder interview - provide information on affordable/senior housing development.
45	Agency/Group/Organization	Naperville Area Homeowners Confederation
	Agency/Group/Organization Type	Housing Civic Leaders Homeowners Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Stakeholder Interview - provide information on homeownership issues and neighborhoods.
46	Agency/Group/Organization	Waterton Associates
	Agency/Group/Organization Type	Housing Affordable Housing Developer
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Stakeholder Interview - provide information on affordable housing development.
47	Agency/Group/Organization	Coldwell Banker
	Agency/Group/Organization Type	Housing Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Stakeholder Interview, Focus Group - provided information on real estate market.
48	Agency/Group/Organization	Lincoln Properties
	Agency/Group/Organization Type	Housing Business Leaders Affordable housing developer
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Stakeholder Interview, Focus Group - provided information on real estate market and affordable housing development.

Identify any Agency Types not consulted and provide rationale for not consulting

The City of Naperville attempted to consult with a wide variety of nonprofit agencies and local organizations to complete the Annual Action Plan. All Naperville grantees and subrecipients who received or applied for funding over the past three years were invited to the City’s public meetings/hearings. No agency types were intentionally excluded from consultation.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	DuPage Continuum of Care	Needs Assessment/Housing Market Analysis/Goals and Objectives
Go to 2050	Chicago Metropolitan Agency for Planning	Needs Assessment/Housing Market Analysis/Goals and Objectives
Comprehensive Master Plan Update	City of Naperville	Needs Assessment/Housing Market Analysis/Goals and Objectives
HOMES Action Plan	City of Naperville	Housing Market Analysis/Goals and Objectives
Housing Needs Assessment	City of Naperville/Housing Advisory Commission	Housing Market Analysis/Goals and Objectives

Table 3– Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

Naperville works closely with DuPage County through participation in monthly HOME Consortium meetings. The City seeks input from the City of Aurora and Will County via public hearings/meetings involving the Community Development Block Grant Program. The City will continue its efforts to collaborate with other local, regional, state, and federal agencies when appropriate to develop future projects, improve efficiency and reduce the duplication of efforts.

PR-15 Citizen Participation - 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

The City of Naperville encourages residents, public service organizations, and other interested parties to participate in the development of the Consolidated Plan and Annual Action Plans by attending public meetings and public hearings held at various stages of plan development.

The City of Naperville opened its public participation process for the 2020-2024 Consolidated Plan and 2020 Annual Action Plan with a Public Meeting/Information Session from 10:00 a.m. – 12:00 noon on Wednesday, August 28, 2019 at the Naperville Municipal Center. City staff provided an overview of the CDBG and SSG programs and the Consolidated Plan and Annual Action Plan (AAP), including funding priorities, application procedures, timelines, evaluation criteria and changes from previous years. The Public Meeting/Information Session was publicized in advance on the City's website, <http://www.naperville.il.us>, and through press releases to local media outlets. Materials presented at the public meeting, including PowerPoint presentations and applications, were available on the website the day following the meeting. Nonprofit organizations with a presence in Naperville also received direct emails advertising the information session and call for projects. A total of 69 participants attended the Public Meeting/Information Session and had the opportunity to comment and ask questions on community development priorities, plans and programs. City staff was also available to answer additional questions and provide technical assistance prior to the application deadline on Wednesday, October 2, 2019.

The City undertook extensive consultation with government and non-profit organizations, including city agencies, boards and commissions, task forces, housing and social service agencies and advocacy organizations. Consultation was done through surveys, focus groups, key informant interviews and public meetings. The consultation process is further described in **Section PR-10 Consultation**.

A notice announcing the public comment period and public hearing for the City's Consolidated Plan and Annual Action Plan was published in the [Naperville Sun](#) on Sunday, February 16, 2020. The notice included the date, time and location of the public hearing, dates of the public comment period, public review locations and information on how to submit comments. The Program Year 2020-2024 Consolidated Plan and Program Year 2020 Annual Action Plan were posted on the City of Naperville website, www.naperville.il.us, at the Naperville Municipal Center and at three Naperville public library locations from Monday, February 17, 2020 to Tuesday, March 17, 2020. The website and public notice also included directions on how to view the full Consolidated Plan on DuPage County's website or at the County offices.

A public hearing to hear citizen comments on the plan was held at the regularly scheduled City Council meeting on Tuesday, March 17, 2020, after which the City Council voted to formally adopt both the Consolidated Plan and Annual Action Plan. No comments were received either in writing during the public comment period or at the public hearing.

Submission of the Consolidated Plan was delayed to allow the plan to be updated to account for changes made due to the COVID-19 pandemic. A second public comment period and public hearing were announced in the Naperville Sun on Wednesday, July 15, 2020. In accordance with new emergency citizen participation procedures, the public comment period was reduced to five days, beginning Friday, July 17, 2020 and ending Tuesday, July 21, 2020. The public hearing took place at the regularly scheduled City Council meeting on Tuesday, July 21, 2020. The meeting was held virtually, using the Zoom platform. Documents were available on the City's website and at the City Clerk's Office at the Naperville Municipal Center.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Meeting	Non-targeted/broad community	A total of 69 people attended the public meeting/information session on August 28, 2019, not including city staff.	Attendees commented on the priorities and asked numerous questions regarding programs, evaluation criteria and application submission.	All questions were answered in as much detail as possible. No comments or questions were declined.	
3	Public Hearing	Non-targeted/broad community	The public hearing was held during the regularly scheduled City Council meeting on Tuesday, March 17, 2020. There were no speakers at the public hearing. The meeting was also broadcast on cable TV.	No persons spoke or asked to speak at the public hearing.	No comments were declined.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Comment Period	Non-targeted/broad community	The public comment period was advertised in the Naperville Sun on Sunday, February 16, 2020 and was open from Monday, February 17, 2020 to Tuesday, March 17, 2020. The Consolidated Plan and Annual Action Plan were posted on the City's website at www.Naperville.il.us. Hard copies were available at three public library branches and at the Naperville Municipal Center.	No comments were received.	No comments were declined.	www.naperville.il.us
5	Public Hearing	Non-targeted/broad community	The public hearing was held during the regularly scheduled City Council meeting on Tuesday, July 21, 2020.	No comments were received.	No comments were not accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Public Comment Period	Non-targeted/broad community	The public comment period and public hearing were advertised in the Naperville Sun on Wednesday, July 15, 2020 and was open from Friday, July 17, 2020 through Tuesday, July 21, 2020. The Consolidated Plan and Annual Action Plan were posted on the City's website at www.Naperville.il.us . Hard copies were available at three public library branches and at the Naperville Municipal Center.	No comments were received.	No comments were not accepted.	
7	Public Hearing	Non-targeted/broad community	A public hearing on the amended Citizen Participation Plan was also held on July 21, 2020.	No comments were received.	No comments were not accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
8	Public Comment Period	Non-targeted/broad community	A public comment period on the amended Citizen Participation Plan took place from July 17, 2020 through July 21, 2020. The public comment period was advertised in the Naperville Sun on Wednesday, July 15, 2020 and was open from Friday, July 17, 2020 through Tuesday, July 21, 2020. The amended Citizen Participation Plan was posted on the City's website at www.Naperville.il.us . Hard copies were available at three public library branches and at the Naperville Municipal Center.	No comments were received.	No comments were not accepted.	

Table 4– Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The City of Naperville has identified the following high and medium priority Non-Housing Community Development needs in three categories: public facilities, public improvements/infrastructure, and public services. The City will use these priorities as a guide when evaluating projects for CDBG funding in the 2020-2024 period.

PUBLIC FACILITY NEED	PRIORITY LEVEL
ADA Compliance Improvements	High
Handicapped Centers	Medium
Homeless Facilities	Medium
Neighborhood Facilities	Medium
Parks and/or Recreation Facilities	Medium
Senior Centers	Medium
<u>INFRASTRUCTURE NEED</u>	PRIORITY LEVEL
Water/Sewer Improvements	High
Flood/Drainage Improvements	Medium
Street Improvements	Medium
Street Lighting Improvements	Medium
Tree Removal/Replacement in Public ROW	Medium
PUBLIC SERVICE NEED	PRIORITY LEVEL
Emergency Services	High
Handicapped Services	High
Mental Health Services	High
Senior Services	High
Substance Abuse Services	High
Transportation Services	High
Youth Services	High
Domestic Abuse Services	Medium
Employment Services	Medium
Food Assistance	Medium
Homeless Services	Medium

Non-Housing Community Development Needs

NA-50 Non-Housing Community Development Needs - 91.415, 91.215 (f)

Describe the jurisdiction's need for Public Facilities:

The Public Facility Needs Table below ranks the need for various types of public facilities either located in low and moderate-income concentration areas or serving low and moderate-income residents in Naperville. High and medium priority needs are divided into three categories:

- **Facilities to serve populations that are either growing, underserved and/or have special needs that may require specially-designed facilities:** These populations include seniors and people with disabilities.
- **Needs that affect all types of Public Facilities:** Needs include removal of remaining architectural barriers in all public facilities and insuring that all public facilities meet current ADA standards, and rehabilitation of existing facilities, where needed.
- **Facilities Located in Specific Neighborhoods/Geographic Areas:** These facilities may include neighborhood facilities, such as learning centers/family service centers, parks and recreation facilities in low and moderate-income concentration areas, and rehabilitation of historic buildings in these areas, especially those that are also located in the downtown historic district.
- **Facilities Needed to Prevent, Prepare for, and Respond to COVID-19:** Facilities may include treatment centers and residences for quarantined patients, including privately-owned group homes, CILA's and transitional housing.

How were these needs determined?

In 2014 and again in 2019, DuPage County developed a Municipal Needs Survey asking users to identify needs for public facilities, public improvements and public services and rank them as high, medium, low or no priority. Using this survey as a guide, the Naperville City Clerk's Office held consultations with the following organizations:

- **City of Naperville Departments:** Department of Public Works and Transportation, Engineering and Development (TED) Business Group
- **City of Naperville Commissions and Task Forces:** Advisory Commission on Disabilities, Housing Advisory Commission, Senior Task Force
- **Other Local Government Agencies and Nonprofits** - Naperville Area Chamber of Commerce and Naperville Park District, social service agencies

Priority Community Development Needs	Priority Need Level	Dollars to Address Unmet Priority Need
PUBLIC FACILITY NEEDS		
Senior Centers	Medium	\$25,000
Handicapped Centers	Medium	\$50,000
Homeless Facilities	None	N/A
Youth Centers	Medium	\$10,000
Child Care Centers	None	N/A
Health Facilities	None	N/A
Neighborhood Facilities	Low	\$50,000
Parks and/or Recreation Facilities	Low	\$478,000
Parking Facilities	None	N/A
Non-Residential Historic Preservation	Low	\$50,000
Other Public Facility Needs:		\$4,700,000
1) Removal of Architectural Barriers	High	
2) Rehabilitation of Existing Facilities	Medium	
3) Acquisition of facilities for group homes for disabled and transitional facilities for homeless	Medium	
TOTAL ESTIMATED DOLLARS NEEDED		\$5,363,000

Public Facility Needs

Describe the jurisdiction's need for Public Improvements:

As shown in the Public Improvements/Infrastructure Needs Table below, one of Naperville's highest priority public improvement/infrastructure needs is for replacement of lead water service lines. Although these lines pose no current danger and make up less than 1% of the City's total water service lines, best practice is for them to be replaced. Street and street lighting repairs are ongoing needs. Flood drainage improvements may be more needed in the future if water levels increase and flood events become more likely. Tree replacements in public rights-of-way are needed in most areas of the City to replace trees removed due to disease and to diversify tree species.

How were these needs determined?

The Naperville City Clerk's Office held consultations with the following organizations:

- **City of Naperville Departments:** Department of Public Works, Transportation, Engineering and Development (TED) Business Group, and Water Utility

Departments were asked to identify and quantify needs for public improvements/infrastructure in low and moderate-income areas and rank them as high, medium, low or no priority.

PUBLIC IMPROVEMENTS/INFRASTRURE NEEDS	Priority Need Level	Remarks
Flood/Drainage Improvements	Medium	35 miles of storm water sewers (32 miles older than 20 yrs.
Green Infrastructure Improvements	Low	N/A
Sidewalk Improvements	Low	Other grant funds are available for low-mod homeowners.
Street Improvements	Medium	Approximately 22 miles of roads.
Street Lighting Improvements	Medium	503 (approximately 95% LED)
Tree Removal/Replacement in Public ROW	Medium	Approximately 438 sites needing planting.
Water/Sewer Improvements	High	Est.345 lead lateral sewer lines; approx. 69% low-mod areas. Replacement cost @\$8,000/line = Approx. \$1.9 M
Solid Waste Disposal Improvements	None	N/A
Water Recycling Facility Improvements	None	N/A

Public Improvements/Infrastructure Needs

Describe the jurisdiction’s need for Public Services:

Public services funding is in high demand in the City of Naperville. Historically, the need has exceeded the dollars available through CDBG funding. The demand for services suggests that more funding is needed to help residents in a wide range of categories from basic needs to legal support. The City-funded Social Services Grant (SSG) was established to help meet resident’s social service needs, allowing CDBG funds to be used primarily for capital projects. These projects are designed to allow municipal agencies and nonprofits to improve their facilities for the benefit of low and moderate income and special needs clients. The City plans to continue this pattern of funding, also using CDBG funds for public services when available.

Public service needs, listed in the table below, are highest for the growing population of senior citizens and people with disabilities, and to address issues that have been identified by municipal agencies such as the Naperville Police Department and health care providers. These services include substance abuse services and counseling, mental health counseling. The Advisory Commission on Disabilities and Accessible Community Task Force identified services for transportation services as a key issue for the disabled community. The City also consulted with emergency and transitional housing providers, and with organizations providing emergency assistance funds. These organizations noted a need for transportation services, as well as mental health, financial literacy, domestic violence and medical services.

Additional public services will be needed to assist residents impacted by the COVID-19 public health crisis. To address these needs, the Priority Need Level for child care services, domestic abuse services, employment services, food assistance, health services, homeless services, mental health services, senior services and substance abuse services were raised from None, Low and Medium to High.

How were these needs determined?

Municipal agencies and local social services providers have maintained statistical information on various issue areas, such as substance abuse, mental health issues, and use of rent/utility assistance and food

assistance. Statistical information is compared over time to determine trends and priority areas. In addition, as mentioned previously, the City of Naperville has a separate local funding mechanism for social service agencies, the Social Services Grant (SSG). The City Council develops funding priorities for this program annually, based on internal analysis of public safety, health and other data which are also considered when developing CDBG priorities. Most recently, the priority services identified have been emergency services, senior services, services for special needs populations, youth services and services designed to promote self-sufficiency. Special set-asides have been established for substance abuse services and mental health services. Transportation services are a subset of each of these categories.

Consultation with social service agencies, economic development organizations and city departments led to prioritization of additional social services to address potential impacts of COVID-19.

Public Service Needs	Priority Need Level	Projected Funding
Child Care	High	\$100,000
Crime Awareness	Low	N/A
Domestic Abuse	High	\$50,000
Emergency Services	High	\$350,000
Food Assistance	High	\$100,000
Handicapped Services	High	\$300,000
Health Services	Medium	\$100,000
Homeless Services	High	\$300,000
Lead Hazard Screening	Low	N/A
Mental Health	High	\$250,000
Senior Services	High	\$300,000
Substance Abuse	High	\$250,000
Transportation	High	\$100,000
Youth	High	\$200,000

Table 5 - PUBLIC SERVICE NEEDS

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

This section presents a brief overview of the Naperville housing market, based on the Housing Needs Assessment prepared for the City by S.B. Friedman, Inc. in 2019.

Housing Characteristics and Trends

- **Population Trends:** Naperville's 2017 population was 146,431, with 51,272 households and approximately 54,000 housing units. Households increased by 17% since 2000, but only 3% since 2010. Naperville's population growth is leveling off and the City is approaching build-out, but the Chicago Metropolitan Agency for Planning (CMAP) projects continued population growth through 2050.
- **Housing Age:** Naperville's housing is relatively new with a median year built of 1988. Older housing is located near downtown Naperville; newer housing is located south of 75th Street.
- **Housing Type:** About 62% of units are single-family, detached and 38% are multi-family, including both townhomes and apartments.
- **Tenure/Ownership:** Approximately 75% of housing units are owner-occupied, with a median home value of approximately \$399,000. Median rent is approximately \$1,415/month.
- **Housing Market and Price:** Average price for a single-family home in 2019 was approximately \$405,000 (Multiple Listing Service). Sales volume and prices have risen since the Great Recession, with approximately 7% of the owner-occupied housing stock being sold annually. Prices are forecast to continue to increase despite a slight decline in sales volume in 2019.

Housing Challenges

- **Continued Housing Demand:** S.B. Friedman, Inc. projects continued high demand for Naperville housing over the next 5 years. Meeting this demand would require construction of 510-565 units per year. Between 2010 and 2017 the City added an average of 340 units per year.
- **Limited Land Availability:** With limited availability of land and no changes to housing types and density, costs will continue to increase and reduce affordable housing supply.
- **Affordability:** Assuming that households should pay no more than 30% of monthly income for housing, homeowners would need to earn approximately \$100,000 per year to afford a median-priced Naperville home; renters would need to earn approximately \$57,000 per year for a median-priced apartment. Approximately 8,600 or 22% of homeowner households and 5,200 or 43% of renter households spend more than 30% of income on housing (U.S. Census).

- **Senior Housing:** Senior households wanting to downsize to smaller, more affordable homes have few options. Maintenance costs can be challenging for senior homeowners, especially the 40% that are low or moderate-income.
- **People with Disabilities:** Approximately 9,400 Naperville residents, 6.5% of the population, have a physical or cognitive disability. About 4,000 or 43% are age 65 or older and 15% live below the poverty line. As the 65+ age group continues to grow, Naperville will need more adaptive housing, public facilities and services.
- **Needs Due to the COVID-19 Pandemic:** The full impacts of the COVID-19 pandemic are yet to be determined. Needs expected to increase in the short-term include homelessness prevention services due to loss of employment and short-term housing to replace homeless and domestic violence shelters, due to social distancing requirements and increased demand. COVID-19 may accelerate the demand for new senior housing options as seniors and their families become more reluctant to make use of congregate housing options.

MA-45 Non-Housing Community Development Assets - 91.410, 91.210(f)

Introduction

Naperville is the fifth largest city in Illinois with almost 150,000 residents. Located 30 miles west of Chicago in both DuPage and Will Counties, Naperville’s economy has benefited from its proximity to the I-88 Tollway and the Illinois Technology and Research Corridor. The economy is well-diversified and includes Business and Professional, Scientific, and Technical Services, Finance and Insurance, as well as major corporate headquarters. The City's financial health has also enabled it to attract numerous retail establishments, restaurants and entertainment venues.

From 2002-2017, Naperville had an employment growth rate of 33% (1.9% annually), which outpaced both the region overall and DuPage County. From 2011 to 2015, jobs in Naperville increased by approximately 5% from 62,799 to 66,233. During that period, the overall unemployment rate in Naperville was 6.24% which had dropped to 5.3% by 2017 (American Community Survey). The unemployment rate was approximately the same as DuPage County’s rate (5.2%) and significantly lower than the unemployment rates for the State of Illinois (7.4%) and the nation (6.6%). It is likely that the COVID-19 pandemic will result in a temporary increase in unemployment, though it remains to be seen how long these increases will persist.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	131	39	0	0	0
Arts, Entertainment, Accommodations	6,159	8,523	11	13	2
Construction	2,106	1,689	4	3	-1
Education and Health Care Services	10,420	14,716	18	22	4
Finance, Insurance, and Real Estate	5,677	6,042	10	9	-1
Information	1,491	1,356	3	2	-1
Manufacturing	4,960	2,007	9	3	-6
Other Services	2,332	2,896	4	4	0
Professional, Scientific, Management Services	10,858	14,562	19	22	3
Public Administration	0	0	0	0	0

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Retail Trade	6,935	10,272	12	16	4
Transportation and Warehousing	2,349	1,238	4	2	-2
Wholesale Trade	4,561	2,893	8	4	-4
Total	57,979	66,233	--	--	--

Table 6 - Business Activity

Data Source: 2011-2015 ACS (Workers), 2015 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	77,785
Civilian Employed Population 16 years and over	72,950
Unemployment Rate	6.24
Unemployment Rate for Ages 16-24	16.58
Unemployment Rate for Ages 25-65	3.97

Table 7 - Labor Force

Data Source: 2011-2015 ACS

Occupations by Sector	Number of People
Management, business and financial	29,305
Farming, fisheries and forestry occupations	2,355
Service	4,585
Sales and office	18,270
Construction, extraction, maintenance and repair	2,100
Production, transportation and material moving	1,500

Table 8 – Occupations by Sector

Data Source: 2011-2015 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	32,675	50%
30-59 Minutes	20,875	32%
60 or More Minutes	12,455	19%
Total	66,005	100%

Table 9 - Travel Time

Data Source: 2011-2015 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	1,065	55	580
High school graduate (includes equivalency)	4,740	640	1,830
Some college or Associate's degree	11,515	740	2,805
Bachelor's degree or higher	43,745	1,675	8,670

Table 10 - Educational Attainment by Employment Status

Data Source: 2011-2015 ACS

Educational Attainment by Age

	Age				
	18-24 yrs	25-34 yrs	35-44 yrs	45-65 yrs	65+ yrs
Less than 9th grade	70	63	315	330	630
9th to 12th grade, no diploma	1,030	205	210	598	785

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
High school graduate, GED, or alternative	3,225	1,165	2,080	3,985	3,375
Some college, no degree	5,310	2,435	2,075	5,820	2,640
Associate's degree	465	900	1,168	2,720	875
Bachelor's degree	2,350	5,985	8,150	15,820	3,730
Graduate or professional degree	145	3,810	6,860	13,510	3,530

Table 11 - Educational Attainment by Age

Data Source: 2011-2015 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	94,186
High school graduate (includes equivalency)	100,927
Some college or Associate's degree	159,841
Bachelor's degree	282,696
Graduate or professional degree	379,045

Table 12 – Median Earnings in the Past 12 Months

Data Source: 2011-2015 ACS

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

Three employment sectors account for over 39,000 jobs or approximately 59.7% of the total 66,233 jobs that employed Naperville workers: Education and Health Care Services; Professional, Scientific and Management Services; and Retail Services. Two other sectors – Finance, Insurance and Real Estate; and Arts, Entertainment and Accommodations account for over 14,000 jobs. Taken together, these five sectors account for over 82% of Naperville jobs. At least two of these sectors - Retail Services and Arts, Entertainment and Accommodations are experiencing significant impacts due to COVID-19 closures and social distancing requirements.

Describe the workforce and infrastructure needs of the business community:

Business and financial management, sales and office occupations are the occupational sectors that predominate in the Naperville workforce. Management occupations alone account for about half of all occupations. Many of these jobs require a highly skilled and well-trained workforce. Naperville appears to be able to attract employees with the necessary level of education and training, though an overwhelming majority of Naperville workers, approximately 85%, do not live in the City.

Naperville recently commissioned an update to its Comprehensive Master Plan, prepared by Houseal Lavigne Associates, that includes an assessment of retail, office and industrial markets:

Retail

Current Conditions:

- Per the Illinois Department of Revenue, Naperville led all Illinois suburbs in retail and food/drink sales in 2017 and 2018. Prior to the COVID-19 pandemic, Naperville was experiencing its lowest vacancy rates and highest average rents since 2009, though the 7% vacancy rate was above the preferred standard of 5%. Increased vacancies due to COVID-19 would appear to be likely, though the impact so far has been limited.

Future Development Prospects:

- Downtown Naperville's success should help to attract additional investment and activity to the City. If COVID-19 does result in increased vacancies, it may accelerate a trend towards new uses for these sites.

Workforce and Infrastructure Needs:

- Corridor redevelopment should include mixed use development with residential components as well as entertainment and cultural uses. Increased housing diversity, including different price points, housing types, and locations, will provide options that appeal to a variety of income levels, including young families and aging residents. Growing diversity may increase demand for specific services and housing types, such as accessory dwelling units.

Office/Industrial

Current Conditions:

- Naperville’s office market is healthy with relatively low vacancy rates and average rents. The office market has been relatively stable for several years. If employees who worked at home during the COVID-19 pandemic continue to do so, office vacancy rates may be affected.

Future Development Prospects:

- Naperville’s location will continue to position the City to capture a proportionate share of regional demand for industrial space. Naperville’s industrial market outperforms the larger regional submarket with lower vacancy and higher rent per square foot.

Workforce and Infrastructure Needs:

- Given existing office uses and the lack of developable land, new large-scale office buildings may not be preferred or market viable. Focus should be directed to ensuring existing office buildings remain desirable and continue to meet the needs of current and future tenants. This should include efforts to renovate existing office buildings with modern designs, new and updated building materials, floor plan modifications, technology and infrastructure upgrades, site improvements to increase parking and amenities like recreation and leisure spaces.
- More diverse housing types will help to attract moderate-income workers, including new homeowners and families with children.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

Naperville experienced high growth during the 1990’s and 2000’s and is rapidly approaching buildout. As a result, most new development will result from rehabilitation or replacement of aging buildings in already developed areas. These factors may make new commercial development more expensive and is likely to create a demand for more dense development. The high cost of vacant land also creates a barrier to developing and maintaining affordable housing, which will be a necessity for supplying housing for younger workers, workers in lower paying sectors such as retail and sales, first-time homebuyers, seniors and renters.

Naperville has also been experiencing some significant and ongoing demographic changes, most significantly aging of the population. The percent of people 65 and over doubled from 6% in 2000 to 12% in 2017. During the same period, the percentage of people between 50-64 increased from 13% to 21%, while people 35-49 decreased from 29% to 22% and children 19 and under decreased from 34% to 29% of the population. As these trends continue, companies may need to change their business and employment models to address a changing market and workforce.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

Many of the occupations and industries described above require significant technical skills – computers/information technology, engineering, finance and health care. Most of these fields require a bachelor’s degree and/or specialized or advanced training. On the other hand, some other fields, such as retail, require a lower level of education and training. Naperville residents include a high percentage of well-educated people, with 69.2% having at least a bachelor's degree and almost 45% of this group also holding a graduate or professional degree. However, only 17% of Naperville residents work in Naperville. This percentage is flipped for Naperville's workforce, with 85% commuting from outside the City. This is reflected by workforce travel times, with 32% of Naperville worker’s traveling over 30 minutes to get to work and another 19% commuting over 1 hour.

The Housing Needs Assessment, conducted by S.B. Friedman, Inc., found that Naperville's most common employment sectors had average annual wages ranging from \$78,000 for Professional and Business Service jobs to \$34,000 for Retail. For Naperville residents, the median income is approximately \$114,000, with owner households (75% of total households) earning a median income of approximately \$134,000 and renter households earning a median income of \$61,745. Given that Naperville's median home value is \$398,500 and median monthly rent is \$1,415, requiring incomes approximately \$100,000/year and \$57,000/year, respectively, to be considered affordable, it is likely that many people working in Naperville are unable to afford homeownership and that those on the lower end are also unable to afford average rents.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

Most workforce training initiatives are coordinated at the County level, involving partnerships between state and county agencies, economic development agencies, educational institutions, and labor organizations. The availability of these resources has allowed Naperville to focus the use of its CDBG funds on housing, infrastructure and public facilities rather than economic development and workforce training activities.

Naperville will work to insure that local nonprofits that serve low and moderate-income populations are aware of, and able to access workforce training initiatives on behalf of their clients.

Key workforce training initiatives are coordinated through the DuPage Workforce Board and the workNet DuPage Career Center.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

Naperville does not participate in a Comprehensive Economic Development Strategy (CEDS). At this time, Naperville does not plan to coordinate any economic development initiatives with the 2020-2024 Consolidated Plan. Other local and regional plans or initiatives that may impact economic growth include *GO TO 2050*, a comprehensive regional plan developed by the Chicago Metropolitan Agency for Planning (CMAP). *GO TO 2050* establishes coordinated strategies to improve transportation, housing, economic development, open space and sustainability throughout northeastern Illinois.

The Naperville Development Partnership is the lead agency promoting economic development in the City of Naperville. The Partnership is a public/private organization with a mission of enhancing the economic vitality of Naperville and maintaining its quality of life through retention and expansion of existing businesses, and attraction of new businesses to the Community. Other agencies promoting Naperville’s economic development are the Naperville Area Chamber of Commerce and Choose DuPage, a countywide organization dedicated to establishing DuPage County as a premier global business location by working to expand and diversify the county’s economy. Choose DuPage supports municipal economic development initiatives to attract and retain businesses and address policy issues critical to the needs of businesses.

Discussion

The COVID-19 pandemic impacts on local businesses, especially in the retail, entertainment and accommodation sectors, may result in Naperville using supplemental CDBG funds received through the CARES Act (CDBG-CV) to address economic development activities during 2020-2021. Although Naperville does not plan to use CDBG funds to support economic development activities, the City will continue to monitor economic conditions and proposed projects to identify opportunities that could benefit or offer employment to low and moderate-income residents. The City will also support housing affordability activities that support economic development.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

The primary housing problem encountered in Naperville is cost burden due to a lack of affordable housing. As discussed in *Section MA-05 Housing Market Analysis Overview*, 27% of Naperville households are spending over 30% of household income on housing expenses – 22% for owner households and 43% for renter households. In total, approximately 13,800 households, most of them earning less than \$75,000 per year, are spending over 30% of their income on housing costs.

Households are more likely to be cost-burdened the lower their household income. Therefore, cost-burdened households are most likely to be found in neighborhoods with lower median incomes and with higher percentages of rental housing, though Naperville also has higher-end rental apartment complexes that generally do not attract lower-income tenants. Naperville's pattern of rapid development in recent decades resulted in many instances in which newer, more expensive housing was built in close proximity to smaller, older housing. This is especially the case in older neighborhoods near downtown Naperville.

Naperville's Housing Needs Assessment found that cost-burdened owner households were most likely to be located northern and eastern parts of the city, including downtown Naperville, although some areas south of 87th Street also had high percentages of cost-burdened owner households. Cost-burdened renter households are located throughout the city, though rental housing is more common in the northern portion of the city. For purposes of mapping these areas, the study divided the city into 10 subareas with comparable socioeconomic and housing characteristics. Cost-burdened owner households ranged from a low of 19% to a high of 32%, while cost-burdened renter households ranged from a low of 37% to a high of 55%.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

Racial/Ethnic Concentration Areas: Naperville's ethnic and racial composition has changed significantly since 2000, with the minority population increasing from just below 15% in 2000 to 27% in 2017. The largest increase was in the Asian population which went from 9.6% in 2000 to 17.9% in 2017. During the same period, the African-American population increased from 3% to 5%. The Hispanic population, which is counted separately, went from 3.2% of the City's 2000 population to 5.7% in 2017.

In 2016, the city commissioned an Analysis of Impediments to Fair Housing Choice (AI), which was completed in 2017. The AI assessed the conditions, both public and private, that affect fair housing choice in Naperville. As part of their research, the city's consultant, Mullin & Lonergan Associates, mapped concentration areas for Whites, Asians, Blacks and Hispanics. High concentrations of White residents are found in the central areas north of 75th Street in neighborhoods surrounding downtown

and east of the I-88/Rt. 59 interchange. Asian households were found throughout the City, but there are significant concentrations both to the north of Ogden Avenue and in the newer west/southwest areas of the City. There were concentrations of Black residents in the southern part of the City and of Hispanic residents in the northwest corner of Naperville.

Mullin and Lonergan also researched Racially or Ethnically Concentrated Areas of Poverty (RE/CAPS), defined by HUD as areas where the total minority population is 50% or more and the poverty rate is 40% or more. Based on these definitions, no R/ECAPs exist in Naperville. The City defined its own areas of concentrations of lower income minority residents as census block groups with a minority population greater than the citywide median of 30.4% and a poverty rate greater than the citywide rate of 4.3%. They discovered 16 census block groups, referred to as “Focus Areas,” that met these criteria. The highest concentrations were found in the northwest part of the City and near the intersection of Route 59 and 95th Street.

Low-Income Concentration Areas: The Low and Moderate-Income Concentration Area Map shows the areas in the City that meet the U.S. Department of Housing and Community Development’s (HUD) criteria for low and moderate-income concentration areas. For Naperville, a low and moderate-income concentration area is a Census Tract Block Group where a minimum of 28.49% of the population is low to moderate income. The 28.49% figure is based on the most recent information provided by HUD for federal fiscal year 2018. The table below shows the maximum income levels for low and moderate-income households depending on household size (June, 2019). Some, though not all, of the new concentration areas overlap with the Focus Areas defined by the AI study.

What are the characteristics of the market in these areas/neighborhoods?

Both low and moderate-income concentration areas and the Naperville Focus Areas tend to be located in the northern 2/3rds of the City, in close proximity to downtown Naperville, to the BNSF railroad tracks, to I-88/Route 59 highway interchanges and major thoroughfares. Some areas are also near large commercial/retail centers. One of these areas is located near the intersection of Route 59 and 95th Street.

The housing stock in these neighborhoods is older, with higher percentages of multi-family and rental properties, including older apartment and townhome complexes that may feature smaller units with fewer amenities than some newer complexes. Single-family homes in these neighborhoods are also older, with smaller lots and small square footage.

Are there any community assets in these areas/neighborhoods?

Proximity to Metra stations, easy access to highways and downtown Naperville are considered assets. Low-income neighborhoods also have the same access to many of the amenities for which Naperville is

known: highly-rated public schools, colleges and libraries, hospitals, parks and recreation areas, and shopping.

Are there other strategic opportunities in any of these areas?

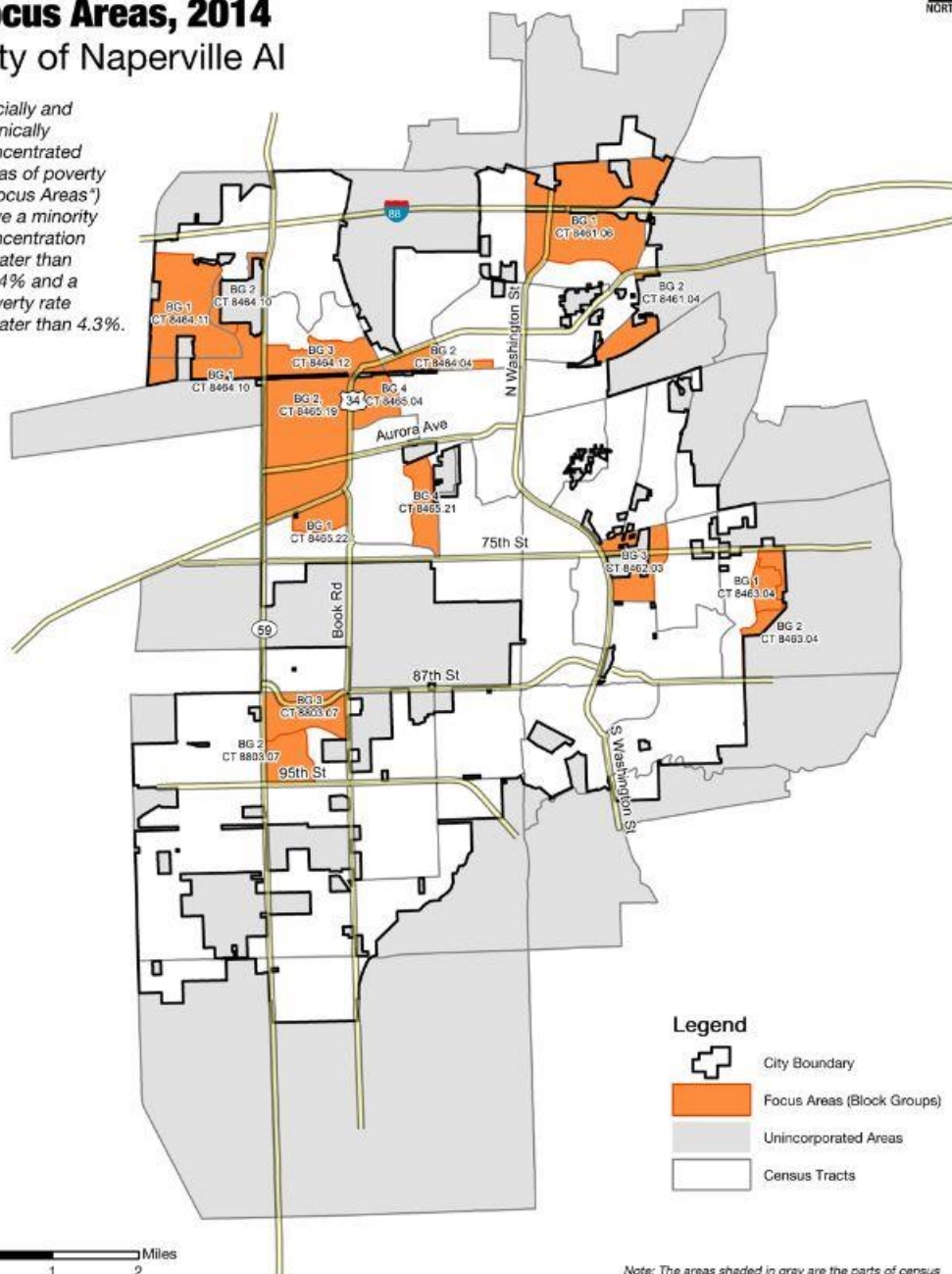
As Naperville continues to become more built out, redevelopment pressure may increase in some low-income areas. While this may threaten the affordability of some of these neighborhoods, it may also present an opportunity for creative use of incentives to preserve existing units or create new affordable housing.

Recently, the city has discussed redevelopment of surface parking lots near the downtown Naperville AMTRAK/METRA station as a mixed-use area, including parking structures, retail/commercial and residential uses. Although no plan has been adopted, City Council, acting on a recommendation from the Housing Advisory Commission, adopted a resolution asking the developer to make at least 20% of units affordable to households with incomes up to 60% of the median family income for the region. Other discussions have revolved around potential repurposing of parts of some traditional retail areas to include housing. The updated Comprehensive Master Plan and Housing Needs Assessment will include recommendations on increasing affordable housing. CDBG funds were used to assist in acquisition and rehabilitation of both affordable owner and renter properties during the 2015-2019 Consolidated Plan period and will continue to be used for these purposes in the 2020-2024 period.

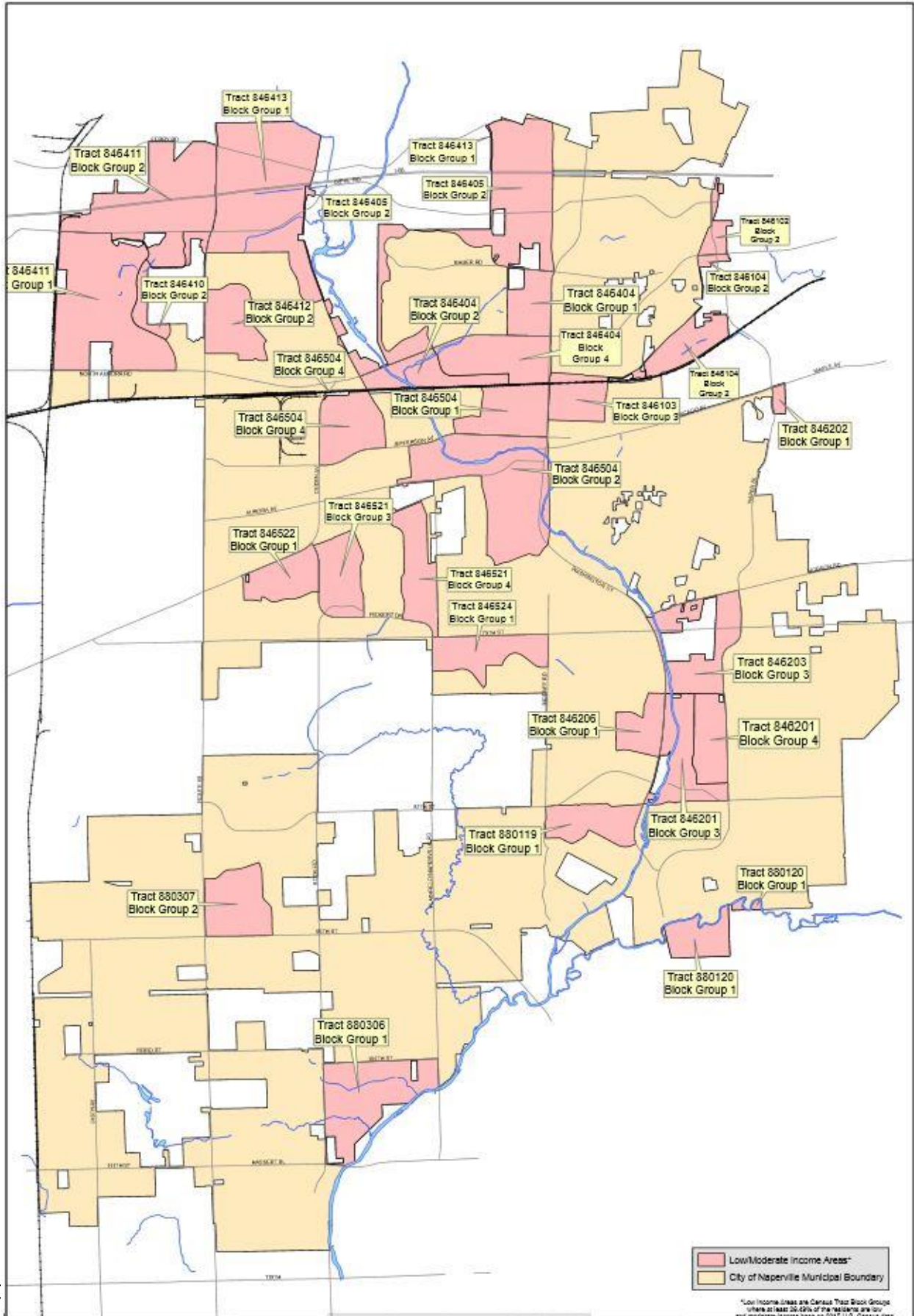
Focus Areas, 2014

City of Naperville AI

Racially and ethnically concentrated areas of poverty ("Focus Areas") have a minority concentration greater than 30.4% and a poverty rate greater than 4.3%.

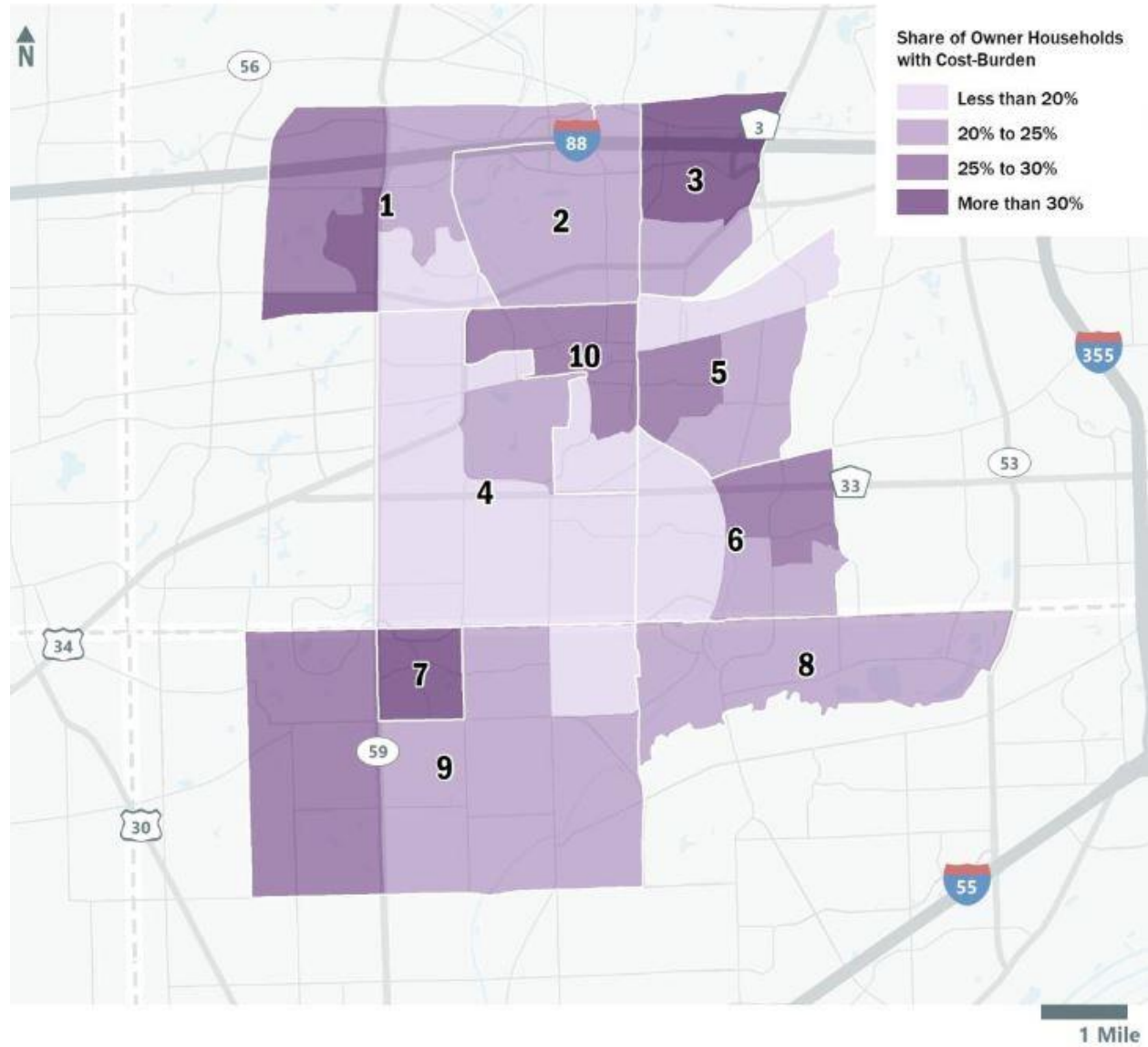


Analysis of Impediments to Fair Housing Choice (AI) Focus Areas (2017)



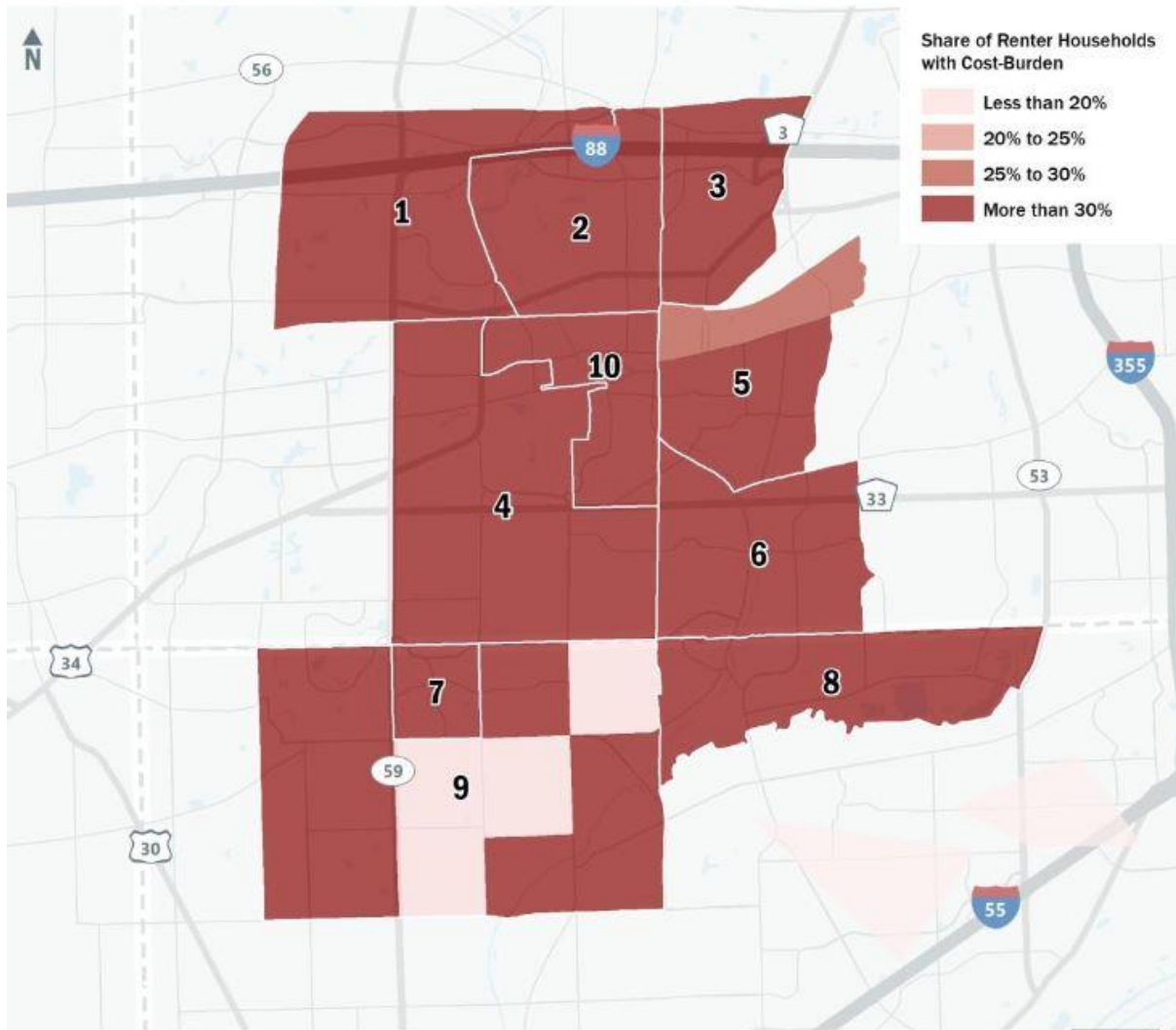
Low-Moderate Income Concentration Areas (2019)

COST-BURDENED OWNER HOUSEHOLDS BY SUBAREA [1]



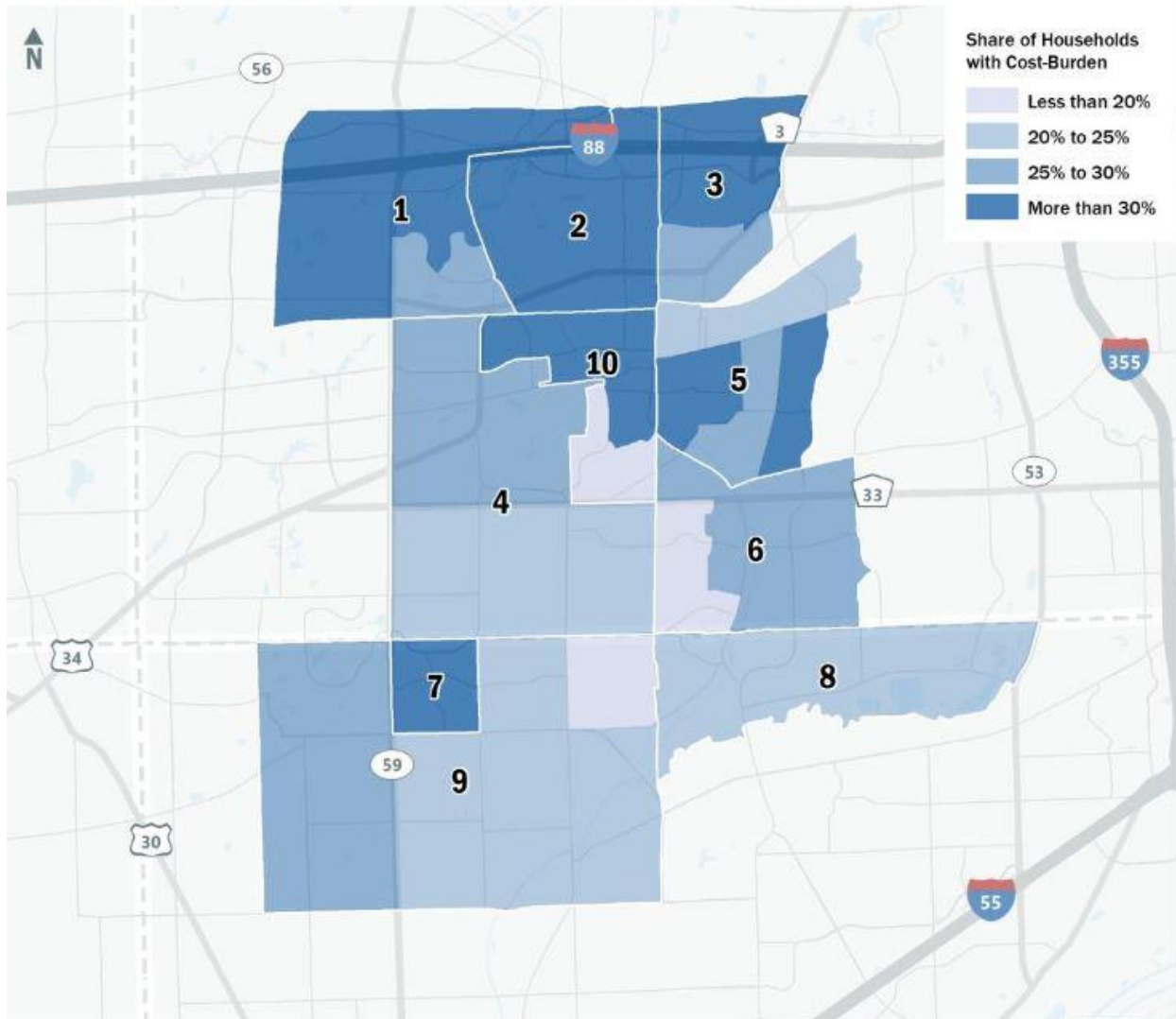
Cost-Burdened Owner Households (2020)

COST-BURDENED RENTER HOUSEHOLDS BY SUBAREA [1]



Cost-Burdened Renter Households (2020)

COST-BURDENED HOUSEHOLDS OVERALL BY SUBAREA [1]



Cost-Burdened Households Overall (2020)

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

AT&T provides internet service over fiber in Naperville; speeds may depend on geographical area, but there do not appear to be significant differences between low and moderate-income concentration areas and other parts of the City. Broadband internet access is also available via Comcast and WOW cable modems using coaxial cables. Given Naperville's strong business environment, it is likely that service providers will continue to invest in new infrastructure and technologies.

The COVID-19 business and school closures resulted in significantly higher use of internet and wifi services to support students engaged in e-learning, adults working from home and unemployed people using the internet to access benefits or look for employment. Increased usage has revealed gaps in internet services affecting residents of older housing, often located in older and lower-income neighborhoods. The City will seek to support these residents through technical assistance and support for physical improvements, where necessary.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

Naperville has several broadband internet service providers (AT&T, Comcast, WOW, Viasat, etc.) over different technologies, including fiber, DSL, cable modem and satellite.

Naperville's Information Technology (IT) Department has considered the possibility of providing municipal broadband, but determined that private providers are providing sufficient offerings.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

Natural hazard risks to Naperville due to climate change generally fall into two categories: 1) temperature extremes, and 2) higher levels of precipitation, resulting in higher water levels in the DuPage River, which may result in a greater danger of flooding.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Although the DuPage River does run through several low and moderate-income neighborhoods, it is generally sufficiently separated from residential areas by open space, detention areas and roads to avoid damage to homes. Naperville has had prohibitions against construction in floodplains and floodways since the late 1970's. In succeeding years, the City purchased any existing homes located in these areas and demolished them.

Although the City is not aware of any studies on this subject, extreme temperatures may pose a greater danger to low and moderate-income households. These households may have older HVAC equipment or may be unable to afford professional maintenance, possibly resulting in a greater likelihood of equipment breaking down or functioning poorly during a severe weather incident. City programs subsidizing home repairs for low and moderate-income households are one method of addressing these issues.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The Strategic Plan provides an overview of how the City of Naperville will spend CDBG funds over the next five program years (2020-2024). The following issue areas are included:

- **Geographic Areas** – Geographic areas where investment will be directed.
- **Priority Needs** – Highest priority needs to be addressed in the areas of Housing, Homeless, Special Needs and Non-Housing Community Development.
- **Anticipated Resources** – Anticipated federal and other funding resources available.
- **Institutional Delivery Structure** – A description of the government and non-profit institutions that will carry out the projects and activities to meet priority needs.
- **Goals** – Key goals to address priority needs.
- **Lead-Based Paint Hazards** – Strategies to address lead-based paint hazards.
- **Anti-Poverty Strategy** – Strategies to reduce poverty.
- **Monitoring** – How subrecipients will be monitored to carry out projects and activities.

SP-10 Geographic Priorities - 91.415, 91.215(a)(1)

Geographic Area

Table 13 - Geographic Priority Areas

1	Area Name:	City of Naperville
	Area Type:	Incorporated City of Naperville, IL
	Other Target Area Description:	Incorporated City of Naperville, IL
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	The target area is the incorporated area of the City of Naperville. See the narrative below on General Allocation Priorities for additional details.
	Include specific housing and commercial characteristics of this target area.	Not applicable.
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Not applicable.
	Identify the needs in this target area.	Not applicable.
	What are the opportunities for improvement in this target area?	Not applicable.
	Are there barriers to improvement in this target area?	Not applicable.

General Allocation Priorities

Describe the basis for allocating investments geographically within the state

Although there are no plans at this time to direct investments to specific geographic areas during the 2020-2024 Consolidated Plan period, the City will closely monitor conditions in areas with concentrations of low and moderate-income households and will consult with city agencies, and housing and social service organizations serving residents of these areas to determine how best to assist these households. If warranted, Naperville may choose to direct some funds to projects in these neighborhoods that qualify based on Low-Moderate Income Area Benefit or Housing Benefit, if suitable projects are presented that result in quantifiable improvements for low and moderate-income residents.

In particular, the City will consider projects designed to improve public infrastructure and public facilities, and to preserve existing affordable housing and create new affordable units.

In the meantime, the City will consider funding any capital improvement or public service project located in the City of Naperville, or that provides significant benefits to Naperville residents. Projects selected for funding will be chosen for their ability to meet the national objectives of the CDBG program and the goals of the Consolidated Plan. All projects will benefit low and moderate-income Naperville residents with emphasis on low and moderate-income renters and homeowners, persons with special needs, including seniors, persons with disabilities, people at risk of homelessness, and homeless persons.

SP-25 Priority Needs - 91.415, 91.215(a)(2)

Priority Needs

Table 14 – Priority Needs Summary

1	Priority Need Name	Housing
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Victims of Domestic Violence
	Geographic Areas Affected	Incorporated City of Naperville, IL
	Associated Goals	Affordable Owner-Occupied Housing Affordable Rental Housing Special Needs Housing and Supportive Services Administration & Planning
	Description	<u>Housing</u> <ul style="list-style-type: none"> • Affordable Rental Units – Rehabilitation, New Construction and Acquisition • Affordable Owner-Occupied Units – Rehabilitation, Acquisition, Homebuyer Assistance <p>Special Needs Housing - Supportive Housing for Seniors and Persons with Disabilities – Rehabilitation, New Construction and Acquisition</p> <p>Preservation of Housing for Persons Impacted by COVID-19</p>

	Basis for Relative Priority	<p>Housing cost burden and lack of affordable housing are the most serious housing-related problem for Naperville households.</p> <ul style="list-style-type: none"> Recent census data shows that about 8,600 or 22% of homeowner households and 5,200 or 43% of renter households are cost-burdened or paying more than 30% of income for housing costs. With homeowners and renters taken together, about 27% of all Naperville households are cost-burdened. Households making less than \$100,000 per year have limited options for homeownership and renter households making less than \$57,000 per year have few affordable options. Very little housing is available for senior households interested in remaining in the community while downsizing to smaller, more affordable options. This problem is especially acute for the 40% of senior households that are low-moderate income. Other seniors with limited income may face challenges with maintenance costs and adapting housing to accommodate physical disabilities. Approximately 9,400 Naperville residents, 6.5% of the population, have a physical or cognitive disability. About 4,000 or 43% are age 65 or older and 15% live below the poverty line. As the 65+ age group continues to grow, Naperville will need to ensure that housing, public facilities and services are available to meet their needs. Senior housing, housing for persons with disabilities and transitional apartments for homeless persons may require physical improvements and operating assistance to prevent, prepare for and respond to COVID-19.
2	Priority Need Name	Non-Housing Community Development Needs
	Priority Level	High

Population	Extremely Low Low Moderate Large Families Families with Children Elderly Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Victims of Domestic Violence Non-housing Community Development
Geographic Areas Affected	Incorporated City of Naperville, IL
Associated Goals	Non-Housing Community Development: Pub. Facilities Non-Housing Community Development: Infrastructure Non-Housing Community Development: Accessibility Non-Housing Community Development: Pub. Services Administration & Planning

<p>Description</p>	<p>Non-Housing Community Development: Public Facilities</p> <p>Non-Housing Community Development: Public Improvements/Infrastructure</p> <p>Non-Housing Community Development: Public Services</p> <p><i>Public Facilities</i></p> <ul style="list-style-type: none"> • Removal of Architectural Barriers/ADA Compliance Improvements • Senior Centers • Handicapped Centers • Homeless Facilities (Housing and facilities housing supportive services) • Neighborhood Facilities • Parks and Recreation Facilities • Other Facilities Servicing Low and Moderate-Income Households <p><i>Public Improvements</i></p> <ul style="list-style-type: none"> • Water/Sewer – New construction, Replacement of lead service lines • Flood/Drainage – New construction, Rehabilitation • Streets – New construction, Rehabilitation • Street Lights – New construction, Rehabilitation • Tree Removal/Tree Replacement in Public ROW <p><i>Public Services</i></p> <ul style="list-style-type: none"> • Basic Needs/Life Skills (Emergency Assistance, Financial Literacy, Food, Parenting, Employment, etc.) • Substance Abuse • Mental Health • High Need Groups – Elderly, Frail Elderly, Disabled Persons, Youth, Homeless, Domestic Violence • Transportation • Small Business Assistance - Avoid job losses and ensure availability of necessary equipment and supplies to mitigate the impacts of COVID-19.
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	Basis for Relative Priority	Non-housing Community Development Needs encompass a broad set of activities, including public infrastructure, public facilities and public services. Several activities were ranked high by City departments, Commissions and Task Forces and Social Service providers. These include infrastructure improvements, especially replacement of lead water service lines, public facility needs including ADA compliance and facilities for special populations, and a wide variety of public service programs described above. Small business assistance, job counseling and training, and child care have emerged as areas of need due to COVID-19 disruptions.
3	Priority Need Name	Extremely Low-Income, At-Risk, and Homeless Hhlds.
	Priority Level	High
	Population	Extremely Low Large Families Families with Children Elderly Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Other
	Geographic Areas Affected	Incorporated City of Naperville, IL
	Associated Goals	Homeless Housing and Supportive Services Non-Housing Community Development: Homeless Non-Housing Community Development: Pub. Services Administration & Planning

<p>Description</p>	<p>Implementation of anti-poverty strategy/addressing all points on the continuum of care:</p> <p>Homelessness Prevention- Emergency Rent, Mortgage and Utility Assistance</p> <p>Emergency Shelter – Rehabilitation, New Construction and Acquisition</p> <p>Rapid Rehousing/Transitional Housing - Rehabilitation, New Construction and Acquisition</p> <p>Permanent Housing for Chronically Homeless – Rehabilitation, New Construction and Acquisition</p>
<p>Basis for Relative Priority</p>	<p>Although poverty-level households make up only 4.4% of the City’s population, the percentage has doubled since the 2000 census. Currently, it is estimated that over 6,000 Naperville residents have incomes below the poverty level. At-risk and homeless households represent the most vulnerable populations and are most likely to have below poverty-level incomes. Job and income losses due to COVID-19 are likely to increase the need for homelessness prevention assistance.</p>

Narrative (Optional)

SP-35 Anticipated Resources - 91.420(b), 91.215(a)(4), 91.220(c)(1,2)

Introduction

As a metropolitan city with over 50,000 residents, Naperville qualifies as an entitlement community for the federal Community Development Block Grant (CDBG) Program. Entitlement communities receive annual grants from the U.S. Department of Housing and Urban Development (HUD) to carry out a wide range of community development activities directed towards revitalizing neighborhoods, increasing economic development, and improving community facilities and services. Grantees must give maximum priority to activities that benefit low and moderate-income persons, aid in the prevention or elimination of slums or blight, and meet urgent community development needs that pose a serious to the health or welfare of the community. Grantees have wide flexibility to develop their own programs, activities and funding priorities so long as they meet one of these national objectives. The Naperville City Council establishes the allocations for the use of CDBG funds based on the priorities set forth in the five-year Consolidated Plan.

Allocations for each CDBG entitlement grantee are determined annually by HUD following adoption of the federal budget by Congress. On November 9, 2020, the City of Naperville was notified that it would receive \$537,062 for its Program Year 2020 allocation. No program income was anticipated, though the City did anticipate that approximately \$30,691 in funds from canceled or under budget prior year activities will also be available. Prior to receiving the actual allocation amount, the City had developed, and released for public comment, a draft Consolidated Plan, including the Annual Action Plan for Program Year 2020. The draft plan was based on an estimated allocation amount of \$535,000, plus the prior year unspent funds. **Please see the Discussion below for information on Contingency Provisions the City adopted prior to receiving the final allocation.** Due to the small difference between the estimated allocation and actual allocation, changes to program funding amounts were very minor. As described in the Discussion, if it is deemed necessary to assist any of the funded programs, the City will also utilize a waiver of pre-award costs if receipt of funds is delayed beyond the program year start date, April 1, 2020.

For succeeding years covered by this Consolidated Plan, the City is currently estimating that annual CDBG allocations will average approximately \$525,000 for a total of \$2,100,000 in years 2021-2024. Actual allocations are expected to vary based on several factors, including the amount of funds appropriated by Congress, the total number of entitlement communities, and changes in the components of the formula used by HUD to determine allocation amounts. Therefore, allocations will vary from year to year. If current trends persist, the allocation amount is likely to decline by a very small percentage each year (less than 1%). It is also anticipated that each year's available funds will include some reallocated funds from projects that did not use their full funding allocation.

Other federal resources that may be available to Naperville residents include funds from the Housing Choice Voucher Program, Social Security Disability (SSI) Program, HOME Investment Partnerships Act (HOME), Emergency Solutions Grant (ESG, Homeless Continuum of Care programs, Permanent Housing for the Handicapped Program, Emergency Community Services Homeless Grant Program, Low-Income Energy Assistance Program (LIHEAP), and Low-Income Housing Tax Credits (LIHTC). These programs are available to low and moderate-income individuals and households directly, and to nonprofit organizations, private developers and local governments for programs to assist these persons. The funds are administered by DuPage County, federal, state and local agencies. Actual dollar amounts available are dependent on income eligibility and funding availability.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	537,062	0	30,691	567,753	2,100,000	Annual CDBG allocation plus any prior year resources available.

Table 15 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

To receive CDBG funds from the City of Naperville, local non-profit organizations must submit a detailed application demonstrating that the project will meet a national objective of the CDBG program, meet the criteria for eligible activities and meet at least one priority of the DuPage County Consortium Consolidated Plan. Although there are no specific matching requirements for CDBG-funded projects, project evaluation criteria also include the extent to which CDBG funds are leveraged against other funds.

CDBG subgrantees make use of a wide variety of state, local, corporate, foundation and private funding sources in addition to CDBG and other federal funds. State and locally-administered funding programs include the Emergency Food and Shelter Program, Community-Based Residential Program, Community Integrated Living Arrangements (CILA) Program, Community Care Program, Home Care Services Program and Domestic Violence Program. Other important and frequently used funding sources include foundation grants, United Way grants, and corporate and individual donations.

The City of Naperville's Social Services Grant (SSG) Program is an important local funding source leveraging CDBG resources. An annual allocation from proceeds of the City's Food and Beverage Tax is used to fund the SSG which provides direct grants to social service organizations that assist Naperville residents. Grants may be used for program costs, salaries, supplies and materials. The call for projects for the SSG takes place at the same time as the CDBG call for projects and the applications and evaluation criteria are similar. Applications for SSG funding that meet CDBG requirements may be funded under that program depending on funding availability. For PY 2020, three social service providers have been recommended to receive both SSG funding for social services programs and CDBG funding for related capital improvements:

Bridge Communities

SSG: \$25,500 for the Essential Transitional Housing Program providing support services for homeless families participating in Bridge's Transitional Housing Program.

CDBG: \$100,000 to replace obsolete windows and doors at transitional housing apartments for homeless families

ChildServ

SSG: \$5,000 for a therapist to assist abused and neglected children at the Naperville Group Home

CDBG: \$15,000 for capital improvements to the Naperville Group Home

Ray Graham Association for People with Disabilities

SSG: \$14,000 for salaries of support staff at the Starling and Swift CILA’s (Community Integrated Living Arrangements) for severely disabled adults

CDBG: \$87,000 for rehabilitation of the kitchens and bathrooms at the Starling and Swift CILA’s

If appropriate, describe publically owned land or property located within the state that may be used to address the needs identified in the plan

No publicly owned land or property located in incorporated Naperville is currently designated to address the needs identified in the plan.

Discussion

HUD NOTICE CPD 19-01, issued February 13, 2019, "Guidance on Submitting Consolidated Plans and Annual Action Plans for Fiscal Year (FY) 2019" instructs grantees not submit their Consolidated Plan and/or Annual Action Plan until after HUD announces the Program Year formula allocation amounts. Since the amount of Naperville's Program Year 2020 grant allocation was unknown when the Annual Action Plan was being developed, the City employed an estimated amount of \$565,691 (Program Year 2019 allocation - \$6,270 + 30,691 in prior year funds). The draft plan included the following contingency provisions if the final allocation amount was higher or lower than the estimated amount. Naperville's submitted plan will reflect the actual allocation amount plus prior year funds.

1) Final grant allocation exceeds \$535,000: If the final grant allocation exceeds \$535,000, the City will undertake the following change(s) in proposed activities:

a) Add additional funding for CDBG-eligible public services activities 1) Loaves & Fishes CARES Emergency Financial Assistance Program up to \$70,000, and 2) DuPage PADS Olympus Place Supportive Housing Program up to \$30,000 with total public services costs to remain within the 15% HUD cap on public service activities;

b) Proportionally increase funding for PY 2020 projects that received less than full funding.

c) Add funding for infrastructure and facility improvement projects located in low and moderate-income concentration areas (based on census tract block group data), or for infrastructure improvement projects targeted to low and moderate-income single-family homeowners or rental properties occupied by a minimum of 51% low and moderate-income residents, or barrier removal/ADA compliance projects in City-owned properties. These projects will be managed by the City of Naperville Transportation, Engineering & Development Business Group (TED) or the City of Naperville Department of Public Works;

d) Add funding for fair housing activities (subject to planning and administration cap);

2) Final grant allocation is less than \$535,000: If the final grant allocation is less than \$535,000, the City will undertake the following change in proposed activities: The proposed funding amounts for all activities will be proportionally decreased to match the actual allocation amount.

3) Pre-Award Cost Waiver: In addition to the guidance on submitting Consolidated Plans and Annual Action Plans, NOTICE CPD-19-01 included a waiver of 24 CFR 470.200(h), the section that specifies the situations under which a grantee may incur costs prior to the effective date of its grant agreement. Sections V.8.2 and V.8.3 of the Notice state that the effective date of a grantee's FY2019 grant agreement will be considered to be the earlier of either the grantee's program year start date or the date that the consolidated plan/action plan (with actual allocation amounts) is received by HUD. If the City of Naperville decides to use the waiver, the City will document in writing the conditions giving rise to the need to use the waiver, and maintain the documentation for HUD's review. The City of Naperville will include any activity for which the costs are being incurred in its AAP prior to the costs being incurred.

SP-40 Institutional Delivery Structure - 91.415, 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
DUPAGE COUNTY COMMUNITY SERVICES DEPARTMENT	Government	Ownership	Other
DUPAGE HABITAT FOR HUMANITY	Non-profit organizations	Ownership	Other
DUPAGE HOMEOWNERSHIP CENTER	Non-profit organizations	Ownership	Other
DuPage Senior Citizens Council	Non-profit organizations	Non-homeless special needs Ownership public services	Other
Community Housing Advocacy and Development	Subrecipient	Rental	Region
ILLINOIS INDEPENDENT LIVING CENTER, KATHARINE MANOR APARTMENTS	Subrecipient	Rental	Jurisdiction
Naperville Elderly Homes	Subrecipient	Rental	Jurisdiction
SENIOR HOME SHARING	Subrecipient	Rental	Jurisdiction
360 Youth Services	Non-profit organizations	Homelessness Non-homeless special needs public services	Region
Bridge Communities	Subrecipient	Homelessness Non-homeless special needs public services	Jurisdiction
DUPAGE PADS, INC	Subrecipient	Homelessness	Other
FAMILY SHELTER SERVICE	Subrecipient	Homelessness	Region

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
LOAVES & FISHES COMMUNITY PANTRY	Non-profit organizations	Homelessness Non-homeless special needs public services	Region
NAPERVILLE CARES	Non-profit organizations	Homelessness Non-homeless special needs public services	Jurisdiction
SERENITY HOUSE	Non-profit organizations	Homelessness Non-homeless special needs public services	Region
Community Career Center - Naperville	Non-profit organizations	Non-homeless special needs public services	Jurisdiction
DUPAGE COUNTY	Government	Non-homeless special needs public services	Other
Edward Foundation	Non-profit organizations	Non-homeless special needs public services	Region
ECUMENICAL ADULT CARE OF NAPERVILLE	Non-profit organizations	Non-homeless special needs public services	Jurisdiction
Hope Fair Housing Center	Non-profit organizations	Non-homeless special needs Ownership Rental public services	Region
KidsMatter	Non-profit organizations	Non-homeless special needs public services	Jurisdiction
Literacy DuPage	Non-profit organizations	Non-homeless special needs public services	Other
METROPOLITAN FAMILY SERVICES	Non-profit organizations	Non-homeless special needs public services	Jurisdiction

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
NAMI OF DUPAGE	Non-profit organizations	Non-homeless special needs public services	Other
Northern Illinois Food Bank	Subrecipient	Homelessness Non-homeless special needs public services	Region
Project HELP	Non-profit organizations	Non-homeless special needs public services	Jurisdiction
Robert Crown Center at Hinsdale	Non-profit organizations	Non-homeless special needs public services	Region
Samaritan Interfaith Counseling	Non-profit organizations	Non-homeless special needs public services	Jurisdiction
GREATER DUPAGE MYM, NOW TEEN PARENT CONNECTION	Non-profit organizations	Non-homeless special needs public services	Other
WDSRA (Western DuPage Special Recreation Association)	Non-profit organizations	Non-homeless special needs public services	Region
YMCA of Metropolitan Chicago	Non-profit organizations	Non-homeless special needs public services	Jurisdiction
LITTLE FRIENDS, INC	Non-profit organizations	Non-homeless special needs public facilities public services	Region
RAY GRAHAM ASSOCIATION FOR PEOPLE WITH DISABILITIES	Subrecipient	Non-homeless special needs public facilities public services	Jurisdiction
Turning Pointe Autism Foundation	Non-profit organizations	Non-homeless special needs public facilities public services	Jurisdiction

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
WILL COUNTY	Government	Non-homeless special needs public services	Other
DuPage Housing Authority	PHA	Rental	Other

Table 16 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

Naperville residents have access to an exceptional number of community-based non-profit agencies working in partnership with each other and with the City of Naperville, DuPage and Will Counties to improve their quality of life. All of the agencies listed, whether headquartered in Naperville or in DuPage or Will County, deliver high-quality direct services to the City’s low and moderate-income residents, senior citizens and people with special needs.

Although municipal, county and nonprofit agencies provide a wide spectrum of services, lack of funding makes it difficult for them to adequately serve all potential clients. In particular, nonprofit organizations, which provide crucial services to residents, frequently operate on very low budgets and must compete for funding with other organizations. In recent years, delays and reductions in funding from the State of Illinois have been a particular problem for some organizations.

Nonprofits typically have small staffs, potentially making it difficult to serve the number of clients that are in need of services. Staff turnover and lack of capacity and experience in particular areas may also complicate an organization’s ability to serve clients. The City of Naperville, through its CDBG and Social Services Grant (SSG) programs, provides crucial funding to these organizations, monitors their performance, and works to improve efficiency by reducing duplication of services.

In addition, residents sometimes are not aware of the availability of services offered at different levels of government and by different nonprofit agencies. Lack of awareness may result in residents missing opportunities to participate in programs for which they might be eligible. Many agencies work closely together and refer clients to each other, but the existence of many different organizations located in different towns can make coordination more difficult. A positive trend over the last several years has been for organizations with similar or complementary missions and programs to merge, resulting in lower expenses, better coordination of services and less duplication. Meanwhile, the City of Naperville will continue to explore ways to improve collaboration, improve marketing of programs and provide technical and financial assistance to nonprofits.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	
Mortgage Assistance	X	X	
Rental Assistance	X	X	
Utilities Assistance	X	X	
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics			
Other Street Outreach Services	X	X	
Supportive Services			
Alcohol & Drug Abuse	X	X	X
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	
Mental Health Counseling	X	X	X
Transportation	X	X	
Other			
Benefits Advocacy	X	X	

Table 17 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

Chronically Homeless Individuals and Families/Homeless Families with Children: In addition to the services listed, the Continuum of Care (DuPage CoC) works towards the elimination of homelessness throughout DuPage County. The DuPage CoC provides information and referrals for emergency housing assistance through health care providers, including mental health providers, hospitals, clinics and substance abuse treatment centers. The County coordinates with emergency shelters, domestic violence shelters, and transitional housing programs to provide homelessness prevention, rapid rehousing, emergency shelter and transitional housing. Emergency shelters coordinate services with the Health Department, medical providers and educational institutions to identify and develop comprehensive services for those who are chronically homeless or at-risk or who may have special needs. COVID-19 has

resulted in closure of shelters, with clients being housed in motels/hotels and counseling being done individually and via the internet.

Naperville's CDBG and Social Services Grant (SSG) programs provide funding to several local organizations that deal primarily or exclusively with Naperville residents. These organizations provide crucial services to Naperville households experiencing or at-risk of homelessness:

- **Loaves and Fishes/Loaves and Fishes CARES Program:** Loaves and Fishes operates a food pantry and provides public benefit, health care and tax assistance; literacy and ESL assistance; job search support; computer classes; budgeting assistance; mental health counseling and veterans support program. The CARES Program provides emergency rent and utility assistance, transportation assistance; rental deposits, referrals and advocacy for food assistance, unemployment benefits, social security and social security disability benefits and health services.
- **DuPage PADS:** Overnight shelter and interim housing program; referrals and advocacy; employment and training programs. Permanent supportive housing for chronically homeless individuals and small families is provided at Olympus Place apartment complex.
- **Bridge Communities, Inc.:** Transitional housing and supportive services for homeless families.
- **Family Shelter Service/Metropolitan Family Services:** Domestic violence shelter and interim housing; legal assistance; and counseling services.
- **NAMI DuPage:** Support for persons recovering from mental illness and substance abuse.
- **Project HELP/YWCA:** Parenting classes, mentoring and support groups.
- **Serenity House:** Transitional housing for women recovering from substance abuse; mental health and substance abuse treatment and counseling.

Veterans and their families: Loaves and Fishes has a referral and advocacy program for veterans and veteran's families that works to connect clients with programs provided by the Veterans Assistance Commission of DuPage County.

Although not targeted towards veterans, all the other agencies discussed above provide services to veterans and their families. Other organizations available in DuPage County include the Midwest Shelter for Homeless Veterans, Hines Veterans Hospital, the Illinois Department of Veterans Affairs and Prairie State Legal Services.

Unaccompanied youth: Naperville provides funding to 360 Youth Services through its Social Services Grant (SSG) program. 360 Youth Services provides a transitional housing program for homeless young adults who receive counseling and services to help them attain job skills and self-sufficiency. Clients include youth who have "aged out" of foster care.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Despite the excellent work done by the organizations discussed above and the close collaboration between organizations, and between DuPage County, the DuPage CoC and faith-based organizations, there is still a gap between the number of beds needed for permanent supportive housing and the number available. DuPage County has also documented an ongoing need for services for people with chronic mental illness. Edward Hospital has developed a needs assessment focusing on the need for continuing need for mental health and drug abuse prevention services.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

Naperville will continue to participate in the DuPage County HOME Consortium and will actively seek opportunities to utilize HOME funds to provide affordable housing in Naperville.

Locally, Naperville will continue to place a high priority on funding projects that assist homeless and at-risk people, particularly homelessness prevention assistance, housing assistance, affordable housing and programs that provide necessary services such as food assistance, employment assistance, access to benefits, mental health and substance abuse counseling.

The City will continue to work to increase coordination between government agencies and nonprofit housing and social service providers to determine where gaps exist and to reduce duplication of services. Other areas for improvement include outreach to increase public knowledge of available programs at both the City and County level, including improvements to information available on the City's website. Some programs that are not available in Naperville, are available through other agencies in DuPage County. The City will work to insure that its residents are aware of these programs and have the ability to access their physical locations.

The City will also work to ensure that all agencies that are part of its institutional delivery system are adequately funded to meet the demand for their services. Actions will include both continued emphasis on maintaining existing funding sources and researching new funding sources.

SP-45 Goals - 91.415, 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Rental Housing	2020	2024	Affordable Housing	City of Naperville	Housing	CDBG: \$549,265	Rental units rehabilitated: 302 Household Housing Unit
2	Affordable Owner-Occupied Housing	2020	2024	Affordable Housing	City of Naperville	Housing	CDBG: \$330,000	Homeowner Housing Rehabilitated: 34 Household Housing Unit
3	Special Needs Housing and Supportive Services	2020	2024	Non-Homeless Special Needs	City of Naperville	Housing	CDBG: \$287,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 28 Households Assisted
4	Homeless Housing and Supportive Services	2020	2024	Homeless	City of Naperville	Extremely Low-Income, At-Risk, and Homeless Hhlds.	CDBG: \$310,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 146 Households Assisted
5	Non-Housing Community Development: Infrastructure	2020	2024	Non-Housing Community Development	City of Naperville	Non-Housing Community Development Needs	CDBG: \$200,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 80 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Non-Housing Community Development: Accessibility	2020	2024	Non-Housing Community Development	City of Naperville	Non-Housing Community Development Needs	CDBG: \$200,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3000 Persons Assisted
7	Non-Housing Community Development: Pub. Facilities	2020	2024	Non-Housing Community Development	City of Naperville	Non-Housing Community Development Needs	CDBG: \$100,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1050 Persons Assisted
8	Non-Housing Community Development: Homeless	2020	2024	Non-Housing Community Development	City of Naperville	Extremely Low-Income, At-Risk, and Homeless Hhlds.	CDBG: \$315,320	Public service activities other than Low/Moderate Income Housing Benefit: 1500 Persons Assisted
9	Non-Housing Community Development: Pub. Services	2020	2024	Non-Housing Community Development	City of Naperville	Extremely Low-Income, At-Risk, and Homeless Hhlds. Non-Housing Community Development Needs	CDBG: \$75,250	Public service activities other than Low/Moderate Income Housing Benefit: 91 Persons Assisted Businesses assisted: 20 Businesses Assisted
10	Administration & Planning	2020	2024	Planning & Administration	City of Naperville	Extremely Low-Income, At-Risk, and Homeless Hhlds. Housing Non-Housing Community Development Needs	CDBG: \$300,918	Other: 1 Other

Table 18 – Goals Summary

Goal Descriptions

1	Goal Name	Affordable Rental Housing
	Goal Description	To preserve and increase the quality and availability of affordable rental housing through rehabilitation, acquisition and construction.
2	Goal Name	Affordable Owner-Occupied Housing
	Goal Description	To preserve and increase the quality and affordability affordable owner-occupied housing through rehabilitation and other assistance.
3	Goal Name	Special Needs Housing and Supportive Services
	Goal Description	To support essential services, facility improvements and facility development to enable persons with special needs to access suitable living environments.
4	Goal Name	Homeless Housing and Supportive Services
	Goal Description	To support essential services, facility improvements and facility development to enable homeless and at-risk persons to access suitable living environments.
5	Goal Name	Non-Housing Community Development: Infrastructure
	Goal Description	To maintain a viable and sustainable urban community through needed infrastructure improvements.
6	Goal Name	Non-Housing Community Development: Accessibility
	Goal Description	To enhance the accessibility of public facilities by eliminating architectural barriers and insuring ADA compliance.
7	Goal Name	Non-Housing Community Development: Pub. Facilities
	Goal Description	To maintain a viable and sustainable urban community through needed public facility improvements.

8	Goal Name	Non-Housing Community Development: Homeless
	Goal Description	To reduce the incidence of poverty and homelessness by providing public services to prevent homelessness and assist homeless and at-risk persons to become self-sufficient.
9	Goal Name	Non-Housing Community Development: Pub. Services
	Goal Description	To assist low-income households, reduce the incidence of poverty and avoid job losses by providing public services to individuals to enhance life skills and self-sufficiency, and financial and technical assistance to small businesses.
10	Goal Name	Administration & Planning
	Goal Description	Administration of the Community Development Block Grant (CDBG) Program and planning for community development needs. May include housing, fair housing, community/neighborhood, land use/zoning and other types of plans, as well as expenses to conduct training and implement the Analysis of Impediments to Fair Housing Choice (AI) and housing/community development plans, as adopted.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

It is estimated that at least 665 persons will receive assistance in accessing affordable housing during the 2020-2024 period covered by the Consolidated Plan. Approximately 250 of these individuals are estimated to be extremely low-income. The remaining 415 will include low and moderate-income persons.

SP-65 Lead-based Paint Hazards - 91.415, 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

Applicable lead-based paint regulations will be followed for all rehabilitation projects in which the building was constructed before 1978, including required testing. If lead-based paint is found to be present, contractors certified in safe work practices will be used for abatement. If children under the age of six are residing in the building they will be referred to the County Health Department for testing for lead-based paint exposure. Clearance tests will be performed by an EPA certified risk assessor and a certified laboratory upon project completion. All CDBG-funded projects will also take the potential presence of asbestos into consideration.

How are the actions listed above integrated into housing policies and procedures?

An assessment of the need for lead-based paint remediation will be undertaken for all CDBG-funded housing projects. The City will communicate with subrecipients and monitor all projects to ensure that lead-based paint regulations are implemented correctly in rehabilitation projects. Recently, the City has worked with private contractors to provide evaluation and inspection services to effected subrecipients on a pro-bono basis.

SP-70 Anti-Poverty Strategy - 91.415, 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

According to the most recent U.S. census data (2017 American Community Survey), only about 4.4% of Naperville residents had incomes below the poverty level. However, this percentage equates to over 6,000 peoples and represents an increase from the 2010 U.S. Census, which recorded a poverty rate of 3.4%, and from the 2000 U.S. Census, which showed a poverty rate of only 2.2%. In addition, certain population groups had a significantly higher poverty rate: For female-headed households with children under 18, the percentage of poverty-level households was 22.4%. This figure alone equates to over 500 families below the poverty level. Other vulnerable groups include minorities and people with disabilities. To assist poverty-level families, Naperville will implement the following strategies for 2020-2024:

Goals and Policies:

Social Services to Promote Self-Sufficiency: Work with social service providers, other governmental and local agencies to identify the needs of those threatened with poverty and homelessness and to find resources to meet those needs. Identify and fund social services most successful in promoting self-sufficiency. Continue to use the City's Social Service Grant Program to fund crucial emergency services, self-sufficiency programs and programs to assist people with special needs and and homeless and at-risk households.

Homelessness Prevention (300 households/year): Provide funding for programs that provide temporary assistance for rent and utility payments and services to help at-risk households resolve crisis situations.

Provide Rapid Rehousing Options: Work with social service providers, other governmental and local agencies to encourage the provision of emergency housing and transitional housing units.

Provide Affordable Permanent Housing Options: Develop programs to preserve existing affordable housing and develop new affordable options focusing on high-risk groups, including low-income households, single-parents, minorities and people with disabilities.

Programs:

Homelessness Prevention/Supportive Services: Continue to use CDBG public service funds to support homelessness prevention programs and services.

Additional Public Services/Public Facilities: Provide additional public service and public facilities funding for new programs and facilities to enhance self-sufficiency programs specifically targeted towards poverty-level households and at-risk groups, such as financial counseling, benefits advocacy, employment assistance, food assistance, transportation assistance, substance abuse counseling, mental health counseling and neighborhood centers.

Affordable Housing:

- 1) Fund acquisition and rehabilitation of housing for persons with special needs, including domestic violence shelters, transitional housing, and Community Integrated Living Arrangements (CILA's) or group homes for adults with disabilities.
- 2) Identify and fund programs that add to the existing inventory of affordable rental and owner-occupied housing, while preserving housing that is already part of the inventory. Special emphasis should be placed on senior housing, housing for people with disabilities, and low-income families.

Neighborhood Improvements: Work with affordable housing providers and local government agencies such as the Naperville Park District and Naperville Police Department to improve infrastructure, recreational facilities and safety features in low- and moderate-income concentration areas. Develop neighborhood-based programs, including neighborhood centers, to assist these low-income families.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

Concurrently with the development of the PY 2020-2024 Consolidated Plan, the City of Naperville undertook three other planning initiatives that directly impact the goals, programs and policies addressed in the Consolidated Plan.

- **Housing Action Plan:** Naperville also worked with the HOMES Technical Assistance Team (Chicago Metropolitan Agency for Planning (CMAP), Metropolitan Mayor's Caucus and Metropolitan Planning Council) to develop a Housing Action Plan to identify key housing issues and present policy and program options.
- **Housing Needs Assessment/Affordable Housing Plan:** As part of the implementation of the Action Items recommended by the *Analysis of Impediments to Fair Housing Choice (AI)*, received by the City in 2017, a consulting firm, S. B. Friedman Associates, Inc. was engaged to develop a Housing Needs Assessment and Affordable Housing Plan.
- **Comprehensive Master Plan Update:** During the same period, the City engaged a consultant, Houseal Lavigne Associates, to update the City's Comprehensive Master Plan, including housing element.

Although all three of these plans are still in the draft stage and have not been formally received by the City, they involved extensive data analysis, focus groups and stakeholder interviews to identify key housing issues. Key findings have been incorporated into the **Market Analysis** and **Strategic Plan** (see **PR-10 Consultation** for additional details).

Focus groups and stakeholder interviews included service providers whose clientele are most likely to be experiencing poverty - providers of emergency, transitional, low-income housing, low-income senior housing, and housing for people with disabilities. Boards and Commissions representing seniors and

people with disabilities were also consulted, as well as social service agencies providing direct assistance to very low-income and homeless individuals and households.

The final action plans will include zoning, legal, regulatory, policy and programmatic recommendations. Although some of the recommendations will not be directly applicable to the CDBG program, they may enable policies that will supplement CDBG funding and permit the adoption of new CDBG-funded programs, including acquisition, rehabilitation and infrastructure improvements for affordable housing.

SP-80 Monitoring - 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

To insure compliance with its Consolidated Plan and improve the quality of projects and outcomes, the City of Naperville will implement the following monitoring strategies and procedures. The monitoring plan is divided into four phases:

- Pre-Award
- Contract
- Project Implementation
- Close-Out

Pre-Award: The pre-award phase covers the pre-application funding process. Each proposed use of funding is compared to the regulations and the City's current Consolidated Plan to determine its eligibility before funds are awarded. Prospective applicants can also arrange for technical assistance to discuss funding and application, e.g. discuss eligibility of the specific project, application requirements, etc.

Evaluation criteria stress organizational capacity, experience with federal funding and leveraged funds. The City will also identify risk factors, such as lack of CDBG or similar program experience, lack of adequate and knowledgeable staff, staff or leadership changes, poor performance on past projects and non-compliance with program regulations.

Subrecipient Agreements: Following approval of a funding application, the City and the Subrecipient will write and sign a subrecipient agreement.

Subrecipients will review the agreement with the CDBG Coordinator and receive technical assistance on the steps necessary to complete the project and comply with HUD regulations. If necessary, the Grants Coordinator will review and discuss risk factors and how the subrecipient can mitigate them. An implementation schedule will be developed for the project.

Project Implementation: Project Implementation covers the period following contract signing through the project activity up to final payout. The goal of monitoring during and following project Implementation is to ensure that the project is completed on time in compliance with CDBG regulations and requirements.

Monitoring may be done through both desk audits and on-site monitoring. Desk audits will consist of reviewing submitted reports, payouts, and other case-file documents as appropriate for the project.

Reports will be reviewed for accuracy and completeness to insure adequate progress and identify potential problem areas that may require additional monitoring.

On-site monitoring will be conducted based on risk factors identified. Monitoring visits may also be conducted periodically to determine if there are findings, violations of the regulations, concerns, potential for violations or other problems, or no findings and concerns. The CDBG Coordinator will use a monitoring checklist to assess the subrecipient's compliance with regulations. For rehabilitation projects site visits may occur, as needed, at completion of the project or while the project is in process.

Project Closeout/Post-Closeout Review: The final phase of subrecipient monitoring covers the period from the request for the final draw of project funds through the final reporting to HUD on project completion. This phase will be carried out through a desk audit for most projects. Rehabilitation projects that require permits will require a final on-site inspection in accordance with City regulations and other inspections may be required, as deemed necessary. The following steps apply for every situation:

1. Final report received and reviewed
2. Documentation of National Objective and demographic and other information on beneficiaries received and reviewed
3. Final reconciliation of project accounting
4. Final assessment of success of project in terms of meeting outcome measurement in a timely manner

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

As a metropolitan city with over 50,000 residents, Naperville qualifies as an entitlement community for the federal Community Development Block Grant (CDBG) Program. Entitlement communities receive annual grants from the U.S. Department of Housing and Urban Development (HUD) to carry out a wide range of community development activities directed towards revitalizing neighborhoods, increasing economic development, and improving community facilities and services. Grantees must give maximum priority to activities that benefit low and moderate-income persons, aid in the prevention or elimination of slums or blight, and meet urgent community development needs that pose a serious to the health or welfare of the community. Grantees have wide flexibility to develop their own programs, activities and funding priorities so long as they meet one of these national objectives. The Naperville City Council establishes the allocations for the use of CDBG funds based on the priorities set forth in the five-year Consolidated Plan.

Allocations for each CDBG entitlement grantee are determined annually by HUD following adoption of the federal budget by Congress. On November 9, 2020, the City of Naperville was notified that it would receive \$537,062 for its Program Year 2020 allocation. No program income was anticipated, though the City did anticipate that approximately \$30,691 in funds from canceled or under budget prior year activities will also be available. Prior to receiving the actual allocation amount, the City had developed, and released for public comment, a draft Consolidated Plan, including the Annual Action Plan for Program Year 2020. The draft plan was based on an estimated allocation amount of \$535,000, plus the prior year unspent funds. **Please see the Discussion below for information on Contingency Provisions the City adopted prior to receiving the final allocation.** Due to the small difference between the estimated allocation and actual allocation, changes to program funding amounts were very minor. As described in the Discussion, if it is deemed necessary to assist any of the funded programs, the City will also utilize a waiver of pre-award costs if receipt of funds is delayed beyond the program year start date, April 1, 2020.

For succeeding years covered by this Consolidated Plan, the City is currently estimating that annual CDBG allocations will average approximately \$525,000 for a total of \$2,100,000 in years 2021-2024. Actual allocations are expected to vary based on several factors, including the amount of funds appropriated by Congress, the total number of entitlement communities, and changes in the components of the formula used by HUD to determine allocation amounts. Therefore, allocations will vary from year to year. If current trends persist, the allocation amount is likely to

decline by a very small percentage each year (less than 1%). It is also anticipated that each year's available funds will include some reallocated funds from projects that did not use their full funding allocation.

Other federal resources that may be available to Naperville residents include funds from the Housing Choice Voucher Program, Social Security Disability (SSI) Program, HOME Investment Partnerships Act (HOME), Emergency Solutions Grant (ESG, Homeless Continuum of Care programs, Permanent Housing for the Handicapped Program, Emergency Community Services Homeless Grant Program, Low-Income Energy Assistance Program (LIHEAP), and Low-Income Housing Tax Credits (LIHTC). These programs are available to low and moderate-income individuals and households directly, and to nonprofit organizations, private developers and local governments for programs to assist these persons. The funds are administered by DuPage County, federal, state and local agencies. Actual dollar amounts available are dependent on income eligibility and funding availability.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	537,062	0	30,691	567,753	2,100,000	Annual CDBG allocation plus any prior year resources available.

Table 19 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

To receive CDBG funds from the City of Naperville, local non-profit organizations must submit a detailed application demonstrating that the project will meet a national objective of the CDBG program, meet the criteria for eligible activities and meet at least one priority of the DuPage County Consortium Consolidated Plan. Although there are no specific matching requirements for CDBG-funded projects, project evaluation criteria also include the extent to which CDBG funds are leveraged against other funds.

CDBG subgrantees make use of a wide variety of state, local, corporate, foundation and private funding sources in addition to CDBG and other federal funds. State and locally-administered funding programs include the Emergency Food and Shelter Program, Community-Based Residential Program, Community Integrated Living Arrangements (CILA) Program, Community Care Program, Home Care Services Program and Domestic Violence Program. Other important and frequently used funding sources include foundation grants, United Way grants, and corporate and individual donations.

The City of Naperville's Social Services Grant (SSG) Program is an important local funding source leveraging CDBG resources. An annual allocation from proceeds of the City's Food and Beverage Tax is used to fund the SSG which provides direct grants to social service organizations that assist Naperville residents. Grants may be used for program costs, salaries, supplies and materials. The call for projects for the SSG takes place at the same time as the CDBG call for projects and the applications and evaluation criteria are similar. Applications for SSG funding that meet CDBG requirements may be funded under that program depending on funding availability. For PY 2020, three social service providers have been recommended to receive both SSG funding for social services programs and CDBG funding for related capital improvements:

Bridge Communities

SSG: \$25,500 for the Essential Transitional Housing Program providing support services for homeless families participating in Bridge's Transitional Housing Program.

CDBG: \$100,000 to replace obsolete windows and doors at transitional housing apartments for homeless families

Kids Above All (ChildServ)

SSG: \$5,000 for a therapist to assist abused and neglected children at the Naperville Group Home

CDBG: \$15,000 for capital improvements to the Naperville Group Home

Ray Graham Association for People with Disabilities

SSG: \$14,000 for salaries of support staff at the Starling and Swift CILA's (Community Integrated Living Arrangements) for severely disabled adults

CDBG: \$87,000 for rehabilitation of the kitchens and bathrooms at the Starling and Swift CILA's

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

No publicly owned land or property located in incorporated Naperville is currently designated to address the needs identified in the plan.

Discussion

HUD NOTICE CPD 19-01, issued February 13, 2019, "Guidance on Submitting Consolidated Plans and Annual Action Plans for Fiscal Year (FY) 2019" instructs grantees not submit their Consolidated Plan and/or Annual Action Plan until after HUD announces the Program Year formula allocation amounts. Since the amount of Naperville's Program Year 2020 grant allocation was unknown when the Annual Action Plan was being developed, the City employed an estimated amount of \$565,691 (Program Year 2019 allocation - \$6,270 + 30,691 in prior year funds). The draft plan included the following contingency provisions if the final allocation amount was higher or lower than the estimated amount. Naperville's submitted plan will reflect the actual allocation amount plus prior year funds.

1) Final grant allocation exceeds \$535,000: If the final grant allocation exceeds \$535,000, the City will undertake the following change(s) in proposed activities:

a) Add additional funding for CDBG-eligible public services activities 1) Loaves & Fishes CARES Emergency Financial Assistance Program up to \$70,000, and 2) DuPage PADS Olympus Place Supportive Housing Program up to \$30,000 with total public services costs to remain within the 15% HUD cap on public service activities;

b) Proportionally increase funding for PY 2020 projects that received less than full funding.

c) Add funding for infrastructure and facility improvement projects located in low and moderate-income concentration areas (based on census tract block group data), or for infrastructure improvement projects targeted to low and moderate-income single-family homeowners or rental properties occupied by a minimum of 51% low and moderate-income residents, or barrier removal/ADA compliance projects in City-owned properties. These projects will be managed by the City of Naperville Transportation, Engineering & Development Business Group (TED) or the City of Naperville Department of Public Works;

d) Add funding for fair housing activities (subject to planning and administration cap);

2) Final grant allocation is less than \$535,000: If the final grant allocation is less than \$535,000, the City will undertake the following change in proposed activities: The proposed funding amounts for all activities will be proportionally decreased to match the actual allocation amount.

3) Pre-Award Cost Waiver: In addition to the guidance on submitting Consolidated Plans and Annual Action Plans, NOTICE CPD-19-01 included a waiver of 24 CFR 470.200(h), the section that specifies the

situations under which a grantee may incur costs prior to the effective date of its grant agreement. Sections V.8.2 and V.8.3 of the Notice state that the effective date of a grantee's FY2019 grant agreement will be considered to be the earlier of either the grantee's program year start date or the date that the consolidated plan/action plan (with actual allocation amounts) is received by HUD. If the City of Naperville decides to use the waiver, the City will document in writing the conditions giving rise to the need to use the waiver, and maintain the documentation for HUD's review. The City of Naperville will include any activity for which the costs are being incurred in its AAP prior to the costs being incurred.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Rental Housing	2015	2019	Affordable Housing	City of Naperville	Housing	CDBG: \$149,265	Rental units rehabilitated: 212 Household Housing Unit
2	Affordable Owner-Occupied Housing	2020	2024	Affordable Housing	City of Naperville	Housing	CDBG: \$30,000	Homeowner Housing Rehabilitated: 9 Household Housing Unit
3	Homeless Housing and Supportive Services	2015	2019	Homeless	City of Naperville	Extremely Low-Income, At-Risk, and Homeless Hhlds.	CDBG: \$115,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 136 Households Assisted
4	Special Needs Housing and Supportive Services	2015	2019	Non-Homeless Special Needs	City of Naperville	Housing	CDBG: \$87,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 8 Households Assisted
5	Non-Housing Community Development: Pub. Facilities	2015	2019	Non-Housing Community Development	City of Naperville	Non-Housing Community Development Needs	CDBG: \$50,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2000 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Non-Housing Community Development: Homeless	2020	2024	Non-Housing Community Development	City of Naperville	Extremely Low-Income, At-Risk, and Homeless Hhlds.	CDBG: \$65,320	Public service activities for Low/Moderate Income Housing Benefit: 75 Households Assisted
7	Non-Housing Community Development: Pub. Services	2020	2024	Non-Housing Community Development	City of Naperville	Non-Housing Community Development Needs	CDBG: \$15,250	Public service activities other than Low/Moderate Income Housing Benefit: 11 Persons Assisted
8	Administration & Planning	2020	2024	Planning & Administration	City of Naperville	Extremely Low-Income, At-Risk, and Homeless Hhlds. Housing Non-Housing Community Development Needs	CDBG: \$55,918	Other: 1 Other

Table 20 – Goals Summary

Goal Descriptions

1	Goal Name	Affordable Rental Housing
	Goal Description	<p><i>To preserve and increase the quality and availability of affordable rental housing through rehabilitation, acquisition and construction.</i></p> <p>A total of \$149,265 will be used to rehabilitate buildings providing affordable rental housing to low and moderate-income seniors and disabled people.</p> <p><i>Illinois Independent Living Center (Katharine Manor Apartments)</i> - \$104,100 will be used to improve the living environment and increase security for the residents in an apartment building providing affordable, accessible housing to 9 low and moderate-income homeowner households and 22 low and moderate-income renter households. The cost of the improvements will be approximately \$30,000 for the owner-occupied units and approximately \$74,100 for the rental units. All occupants have severe physical disabilities. The project will include replacing security cameras, and the original door openers and closers with new models that meet the latest standards recognized as ADA-compliant. The replacement doors will be equipped with new keyless entry devices.</p> <p><i>Naperville Elderly Homes (Martin Avenue Apartments)</i> - \$75,165 will be used to reconstruct the outdoor living areas of an apartment building providing 190 units of affordable housing to low and moderate-income senior households. The project represents the final phase of a complete redevelopment of the property, including rehabilitation of 122 existing units and a new addition consisting of 68 units. The landscape project will restore an existing patio and planted areas, which were disrupted to accommodate the construction of the new building wing. Plans include reconfiguration of the area to provide more green space, decorative paved walkways, permanent benches and other seating, lighting and a wide variety of perennial plantings, bushes and trees.</p>

2	Goal Name	Affordable Owner-Occupied Housing
	Goal Description	<p><i>To preserve and increase the quality and availability of affordable owner-occupied housing through rehabilitation and other assistance.</i></p> <p><i>Illinois Independent Living Center (Katharine Manor Apartments)</i> - \$104,100 will be used to improve the living environment and increase security for the residents in an apartment building providing affordable, accessible housing to 9 low and moderate-income homeowner households and 22 low and moderate-income renter households. The cost of the improvements will be approximately \$30,000 for the owner-occupied units and approximately \$74,100 for the rental units. All occupants have severe physical disabilities. The project will include replacing security cameras, and the original door openers and closers with new models that meet the latest standards recognized as ADA-compliant. The replacement doors will be equipped with new keyless entry devices.</p>
3	Goal Name	Homeless Housing and Supportive Services
	Goal Description	<p><i>To support essential services, facility improvements and facility development to enable homeless and at-risk persons to access suitable living environments.</i></p> <p>A total of \$115,000 will be used to rehabilitate buildings providing transitional housing and social services to approximately 136 homeless children and adults and persons at risk of homelessness.</p> <p><i>Bridge Communities, Inc.</i> - A total of \$100,000 in CDBG funds will be used to replace windows and patio doors at six (6) apartment buildings providing transitional housing to 35 homeless families (approximately 125 individuals). New models will improve energy efficiency and significantly reduce operating expenses.</p> <p><i>Kids Above All (formerly ChildServ)</i> - \$15,000 will be used to replace the roof and gutters at a group residence for 11-14 abused and/or neglected adolescent girls.</p>

4	Goal Name	Special Needs Housing and Supportive Services
	Goal Description	<p><i>To support essential services and facility improvements to enable persons with special needs to access suitable living environments.</i></p> <p><i>Ray Graham Association - \$87,000 in CDBG funds will be used to rehabilitate two (2) Community Integrated Living Arrangement (CILA) buildings housing eight (8) physically and developmentally disabled adults by rehabilitating kitchens and bathrooms, making all facilities fully handicapped accessible to the most up-to-date standards and correcting existing drainage problems.</i></p>
5	Goal Name	Non-Housing Community Development: Pub. Facilities
	Goal Description	<p><i>To maintain a viable and sustainable urban community through needed public facility improvements.</i></p> <p><i>Northern Illinois Food Bank - \$50,000 will be used to replace 722 fluorescent fixtures at the Geneva food distribution center with LED fixtures and bulbs. Annual lighting usage will be reduced from 377,450 kWh to an estimated 158,699 kWh, a savings of 218,751 kWh. This will also result in an estimated annual cost savings of \$18,703. Northern Illinois Food Bank is the primary source of food supplied to food pantries in northeastern Illinois, including Loaves and Fishes Food Pantry in Naperville.</i></p>
6	Goal Name	Non-Housing Community Development: Homeless
	Goal Description	<p><i>To reduce the incidence of poverty and homelessness by providing public services to prevent homelessness and assist homeless and at-risk persons to become self-sufficient.</i></p> <p><i>Loaves & Fishes CARES Program - \$65,320 for homelessness prevention through temporary rent and utility assistance, and counseling services benefitting approximately 300 persons.</i></p>
7	Goal Name	Non-Housing Community Development: Pub. Services
	Goal Description	<p><i>To assist low-income households and reduce the incidence of poverty by providing public services to enhance life skills and self-sufficiency.</i></p> <p><i>DuPage PADS Olympus Place Housing Program - \$15,250 for on-site services to approximately 11-18 chronically homeless persons living in supportive housing. Additional funding will be provided by the City-funded Social Service Grant (SSG).</i></p>

8	Goal Name	Administration & Planning
	Goal Description	Administration of the Community Development Block Grant (CDBG) Program and planning for community development needs. May include housing, fair housing, community/neighborhood, land use/zoning and other types of plans, as well as expenses to conduct training and implement the Analysis of Impediments to Fair Housing Choice (AI) and housing/community development plans, as adopted.

AP-35 Projects - 91.420, 91.220(d)

Introduction

The City of Naperville's Program Year 2020 CDBG projects are described below:

#	Project Name
1	Bridge Communities - Crabapple Court Window and Door Replacement
2	Kids Above All (formerly ChildServ) - Naperville Group Home Roof Replacement
3	DuPage PADS - Olympus Place Supportive Housing Program
4	Illinois Independent Living Center - Security System Rehabilitation
5	Loaves & Fishes CARES Program - Emergency Financial Assistance
6	Naperville Elderly Homes - Landscape Restoration Project
7	Northern Illinois Food Bank - LED Lighting Upgrade
8	Ray Graham Association: Starling and Swift CILA Kitchen/Bathroom Rehabilitation
9	City of Naperville - Grant Administration

Table 21 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

To prepare the 2020-2024 Consolidated Plan, the City of Naperville developed priorities, goals and objectives based on data analysis, and collaboration and consultation with key stakeholders representing Naperville's low and moderate-income residents. These plan development process and findings are described in the Consolidated Plan. In all projects funded in PY 2020 reflect the priorities and goals the City adopted. All meet the national objectives of the CDBG program and are designed to address the needs of low and moderate-income Naperville residents.

AP-38 Project Summary

Project Summary Information

1	Project Name	Bridge Communities - Crabapple Court Window and Door Replacement
	Target Area	City of Naperville
	Goals Supported	Homeless Housing and Supportive Services
	Needs Addressed	Extremely Low-Income, At-Risk, and Homeless Hhlds.
	Funding	CDBG: \$100,000
	Description	A total of \$100,000 in CDBG funds will be used to install new, energy-efficient windows and patio doors at six (6) apartment buildings providing transitional housing to 35 homeless families.
	Target Date	3/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 35 homeless families (approximately 125 persons).
	Location Description	1324, 1329, 1330, 1335, 1341 and 1347 Crab Apple Court, Naperville, IL.
	Planned Activities	Replace existing windows and patio doors with energy-efficient models.
2	Project Name	Kids Above All (formerly ChildServ) - Naperville Group Home Roof Replacement
	Target Area	City of Naperville
	Goals Supported	Homeless Housing and Supportive Services
	Needs Addressed	Extremely Low-Income, At-Risk, and Homeless Hhlds.
	Funding	CDBG: \$15,000

	Description	A total of \$15,000 in CDBG funds will be used to replace the roof at a group home for teen girls who are wards of the State due to abuse and neglect.
	Target Date	3/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 11 girls between 13 and 18 years of age who are homeless and in state custody due to abuse or neglect.
	Location Description	146 N. Sleight Street, Naperville, IL 60540
	Planned Activities	Replace roof and gutters.
3	Project Name	DuPage PADS - Olympus Place Supportive Housing Program
	Target Area	City of Naperville
	Goals Supported	Non-Housing Community Development: Pub. Services
	Needs Addressed	Extremely Low-Income, At-Risk, and Homeless Hhlds.
	Funding	CDBG: \$15,250
	Description	A total of \$15,250 in CDBG funds will be used to provide supportive services to approximately 11-18 formerly chronically homeless persons living at Olympus Place apartments, an affordable supportive rental housing complex owned and managed by DuPage PADS.
	Target Date	3/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	11 formerly chronically homeless households living in an 11-unit apartment complex.
	Location Description	5 Olympus Place, Naperville, IL 60540
	Planned Activities	Provide supportive services to residents.

4	Project Name	Illinois Independent Living Center - Security System Rehabilitation
	Target Area	City of Naperville
	Goals Supported	Affordable Rental Housing Affordable Owner-Occupied Housing
	Needs Addressed	Housing
	Funding	CDBG: \$104,100
	Description	A total of \$104,100 will be used to improve the living environment and reduce energy consumption in an apartment building providing affordable, accessible housing to low and moderate-income persons with severe physical disabilities. The project will consist of replacing security cameras and the original door openers and closers with new models that meet the latest standards recognized as ADA-compliant. The replacement doors will be equipped with new keyless entry devices.
	Target Date	3/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 31 households consisting of low and moderate-income persons with severe physical disabilities will benefit from this project.
	Location Description	Katharine Manor Apartments, 1141 Iroquois Avenue, Naperville, IL 60563.
	Planned Activities	<ol style="list-style-type: none"> 1. Replace security cameras. 2. Replace door openers and closers with new ADA-compliant keyless entry devices.
5	Project Name	Loaves & Fishes CARES Program - Emergency Financial Assistance
	Target Area	City of Naperville
	Goals Supported	Non-Housing Community Development: Homeless
	Needs Addressed	Non-Housing Community Development Needs
	Funding	CDBG: \$65,320

	Description	A total of \$65,320 in CDBG funds will be used to provide Homelessness Prevention/Emergency Assistance Program for individuals and families at high risk of homelessness. Provides emergency financial assistance to cover rent, mortgage, and utility payments. Agency work with clients to connect them to other resources.
	Target Date	3/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 300 low and moderate-income individuals (approximately 75-100 households) at high risk of homelessness due to inability to pay rent, mortgage or utility payments.
	Location Description	N/A
	Planned Activities	Provide temporary rent, mortgage, and/or utility payments to prevent recipients from becoming homeless.
6	Project Name	Naperville Elderly Homes - Landscape Restoration Project
	Target Area	City of Naperville
	Goals Supported	Affordable Rental Housing
	Needs Addressed	Housing
	Funding	CDBG: \$75,165
	Description	A total of \$75,165 will be used to restore the outdoor living areas of Martin Avenue Apartments. The project represents the final phase of a complete redevelopment of the property, including rehabilitation of 121 existing units and a new addition consisting of 62 units. The project will restore the patio and planted areas, which were disrupted to accommodate the construction of the new building wing.
	Target Date	3/31/2021

	Estimate the number and type of families that will benefit from the proposed activities	190 low-income senior households living at Martin Avenue Apartments.
	Location Description	Martin Avenue Apartments, 310 Martin Avenue, Naperville, IL 60540
	Planned Activities	Reconfigure and reconstruct the outdoor living area to provide more green space, decorative paved walkways, permanent benches and other seating, lighting and a wide variety of perennial plantings, bushes and trees.
7	Project Name	Northern Illinois Food Bank - LED Lighting Upgrade
	Target Area	City of Naperville
	Goals Supported	Non-Housing Community Development: Pub. Facilities
	Needs Addressed	Non-Housing Community Development Needs
	Funding	CDBG: \$50,000
	Description	A total of \$50,000 in CDBG funds will be used to replace 722 fluorescent fixtures at Northern Illinois Food Bank's Geneva, IL food distribution center with LED fixtures and bulbs. Annual lighting usage will be reduced from 377,450 kWh to an estimated 158,699 kWh, a savings of 218,751 kWh. This will also result in an estimated annual cost savings of \$18,703.
	Target Date	3/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	Northern Illinois Food Bank is the primary source of food supplied to food pantries in northeastern Illinois, including Loaves and Fishes Food Pantry in Naperville. Approximately 11,000 individuals will benefit from the food distributed.
	Location Description	Northern Illinois Food Bank, 273 Dearborn Court, Geneva, IL 60134
	Planned Activities	Replace 722 fluorescent light fixtures with LED fixtures and bulbs.
	Project Name	Ray Graham Association: Starling and Swift CILA Kitchen/Bathroom Rehabilitation

8	Target Area	City of Naperville
	Goals Supported	Special Needs Housing and Supportive Services
	Needs Addressed	Housing
	Funding	CDBG: \$87,000
	Description	A total of \$87,000 in CDBG funds will be used to rehabilitate two (2) Community Integrated Living Arrangement (CILA) buildings by rehabilitating the kitchens and bathrooms.
	Target Date	3/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	Eight (8) adults with severe physical and mental disabilities.
	Location Description	52 Starling Lane, Naperville, IL 60520 and 32 Swift Lane, Naperville, IL 60520.
	Planned Activities	<ol style="list-style-type: none"> 1. Rehabilitate kitchens. 2. Rehabilitate bathrooms.
9	Project Name	City of Naperville - Grant Administration
	Target Area	City of Naperville
	Goals Supported	Affordable Rental Housing Affordable Owner-Occupied Housing Special Needs Housing and Supportive Services Homeless Housing and Supportive Services Non-Housing Community Development: Pub. Facilities Non-Housing Community Development: Homeless Non-Housing Community Development: Pub. Services

Needs Addressed	Housing Non-Housing Community Development Needs Extremely Low-Income, At-Risk, and Homeless Hhlds.
Funding	CDBG: \$55,918
Description	A total of \$55,918 is a portion of the salary and benefits of staff administering and managing the Program Year 2020 Community Development Block Grant (CDBG) Program.
Target Date	3/31/2021
Estimate the number and type of families that will benefit from the proposed activities	N/A
Location Description	Naperville Municipal Center, 400 S. Eagle Street, Naperville, IL 60540
Planned Activities	Grant Administration.

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Projects are located throughout the City of Naperville. One project – Northern Illinois Food Bank – is located in Geneva, IL, but provides food supplies to Naperville food pantries.

All projects selected for funding were chosen for their ability to meet the national objectives of the CDBG program and the goals of the Consolidated Plan. Projects will primarily or exclusively benefit low and moderate-income individuals with emphasis on families with children, homeless persons transitioning to permanent housing, and persons with special needs.

Geographic Distribution

Target Area	Percentage of Funds
City of Naperville	91

Table 22 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City of Naperville generally has not directed assistance to specific geographic areas because the types of projects assisted are located throughout the City. The project in Geneva, IL provides vital services to agencies serving Naperville residents.

Discussion

In February, 2019, HUD released new data on the number and percentage of low and moderate-income residents in each census tract block group. A preliminary analysis of this data indicates that the number of low and moderate-income residents in Naperville has increased, accompanied by an increase in the number of census tract block groups that qualify as low and moderate-income concentration areas under Naperville’s exception grantee criteria. The City of Naperville will closely monitor conditions in these areas and will consult with city agencies and social service organizations to determine how best to assist these households and preserve affordable housing in these neighborhoods.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

Naperville will undertake additional actions to address the following areas of concern:

- Meeting Underserved Needs
- Reducing Lead-Based Paint Hazards
- Reducing the Number of Poverty-Level Families
- Developing Institutional Structure
- Enhancing Coordination Between Public and Private Housing and Social Service Agencies

Actions planned to address obstacles to meeting underserved needs

The City will use the priorities established in the Consolidated Plan for Program Years 2020-2024 to guide the allocation of CDBG funds. The City will continue to utilize public meetings, workshops, surveys and consultations with service providers, as well as analyzing new data, as it becomes available, to improve its understanding of community needs. During future program years, the City may consider requesting proposals for both CDBG and Social Service Grants that are specifically targeted towards underserved needs or population groups.

City staff will also continue to participate in the DuPage County HOME Advisory Commission to learn about available services and advise the commission about Naperville's specific needs. Knowledge obtained from studies and consultation with local service providers is being used to determine which community needs are not currently being addressed adequately by existing programs, prevent duplication of services and improve coordination between service providers.

An additional obstacle to meeting underserved needs is the unavailability and uncertainty of adequate funding for projects. The actual amount of the CDBG allocation fluctuates from year to year and is influenced by factors beyond the City's control. Funding amounts are generally not adequate to meet the City's needs, especially in the areas of public services and affordable renter and owner-occupied housing. In future years, the City may consider researching and applying for additional sources of community development funding.

Actions planned to foster and maintain affordable housing

Providing affordable housing for residents of all income levels is a significant challenge in Naperville, a relatively high-income community with high land and property values. This situation is complicated by the decreasing availability of buildable land, pushing housing costs even higher, and by a lack of experienced affordable housing developers.

Countering these trends, there appears to be increasingly awareness of the social and economic benefits

associated with a diverse housing stock. In 2019, the City engaged a consultant to update its Comprehensive Master Plan. In a series of community workshops and surveys, affordable housing emerged as a key theme. Residents emphasized the need to make Naperville more accessible to a greater range of incomes, particularly seniors who want to remain in the community, but cannot afford the high cost of homes or property taxes.

In addition to the Comprehensive Master Plan, the City received technical assistance from the HOMES Project Team, consisting of staff of the Chicago Metropolitan Agency for Planning (CMAP), Metropolitan Mayors Caucus and Metropolitan Planning Council, to develop a Housing Action Plan to identify and address local housing challenges. The Action Plan also identified a lack of affordable housing for both renters and homeowners, and a lack of affordable options for seniors wanting to downsize as critical issues. Recommendations included creating a community land trust, an affordable housing trust fund, investigating inclusionary zoning and providing more diverse housing options, such as accessory dwelling units.

Finally, the City Clerk's Office hired a consultant to complete a detailed Housing Needs Assessment and Affordable Housing Plan. The findings of the Housing Needs Assessment, completed in December, 2019, are discussed in **MA-05, Overview** and **MA-50, Needs and Market Analysis Discussion** of the attached Consolidated Plan. Draft Affordable Housing Plan recommendations will be available in March, 2020.

Although many of the recommendations of all three documents will be zoning, regulatory or policy-related, the Affordable Housing Plan will include specific recommendations for CDBG programs, including development of new programs. Other recommendations may lead to additional funding that can be used to supplement CDBG-funded projects, including greater use of HOME funds through the DuPage County HOME Consortium.

The Housing Needs Assessment/Affordable Housing Plan is a direct outgrowth of the City's most recent Analysis of Impediments to Fair Housing Choice (AI), completed in 2017. A key recommendation of that report was to create an affordable housing plan. The City's Housing Advisory Commission (HAC) been tasked with monitoring implementation of the AI recommendations and will also advise the City Council on implementation of affordable housing initiatives. Both the AI and Housing Needs Assessment/Affordable Housing Plan were funded by the CDBG program as planning activities.

In the meantime, the City will complete CDBG Projects designed to promote and sustain the availability of affordable housing for a variety of groups. CDBG projects proposed for funding in Program Year 2020 will increase the availability and sustainability of affordable housing for Naperville residents with the greatest housing challenges, including low-income households, people with disabilities, and homeless and at-risk families and children. Specific projects include development of a single-family rehabilitation program for low and moderate-income homeowners, placing special emphasis on senior and disabled households. Another project will complete renovations to Naperville Elderly Homes' apartment complex

for low-income senior households.

Actions planned to reduce lead-based paint hazards

An assessment of the need for lead-based paint remediation will be undertaken for all CDBG-funded housing projects. The City will communicate with subrecipients and monitor all projects to ensure that lead-based paint regulations are implemented correctly in rehabilitation projects. Applicable lead-based paint regulations will be followed for all rehabilitation projects in which the building was constructed prior to 1978. If necessary, contractors certified in safe work practices will be used for rehab work. The City has an arrangement with DuPage County to assist the City in lead-based paint abatement.

Most of the potential lead-based paint hazards in Naperville are restricted to the older area of the City where most of the housing stock pre-dates 1978. Specifically, this area is bounded by Ogden Avenue on the north, Columbia Street on the east, Hillside Road on the south and the DuPage River on the west. U.S. Census data indicates that there could be as many as 2,700 households that may be at risk of exposure to lead based paint hazards. The City will pay special attention to monitoring rehabilitation projects located in these areas.

Actions planned to reduce the number of poverty-level families

Community Development Block Grant (CDBG) Program: The following CDBG awards are proposed for Program Year 2020:

- **Transitional Housing for Homeless Families and Youth:** \$100,000 to Bridge Communities, Inc. to rehabilitate transitional housing and support services to homeless families and \$15,000 to Kids Above All (formerly ChildServ) to rehabilitate a group residence for abused and neglected children.
- **Permanent Housing for People with Disabilities:** \$102,276 to Illinois Independent Living Center for rehabilitation of multifamily housing for very low-income persons with severe physical disabilities.
- **Housing for People with Special Needs:** \$87,000 to Ray Graham Association for rehabilitation work on their facilities providing housing and services to persons with severe physical and mental disabilities.
- **Public Services for Homeless and Formerly Homeless Households:** \$65,000 to Loaves & Fishes CARES Program to provide emergency rent and utility assistance to families at risk of homelessness due to severe financial difficulties and \$15,250 to DuPage PADS to provide support services to chronically homeless persons with disabilities, now living in supportive housing.

Social Services Grant (SSG) Program: The Social Services Grant (SSG) Program is a crucial component of the City's strategy to reduce the number of poverty-level families. For the 2020 Fiscal Year, a total of

\$500,000 will be allocated to organizations and programs that provide assistance to low-income families. These programs include emergency rent and utility assistance, services to single parents, emergency housing, food assistance, employment counseling, substance abuse counseling, mental health counseling, youth services and after- school programs.

In addition to funding specific activities, the City will continue its efforts to finance affordable housing rehabilitation, work with the Naperville Police Department to implement the Crime-Free Multi-Family Housing Program and Community Policing through Environmental Design (CPTED) Program.

Actions planned to develop institutional structure

The City of Naperville will work with city departments, local service providers, and agencies from DuPage County and Will County to implement the Consolidated Plan goals and strategies for 2020-2024.

In addition to the formal structure inherent in administering CDBG funds, the City will pursue informal communication and coordination with public and private housing agencies, other governmental agencies, private businesses, non-profit community agencies and other organizations working to meet the housing assistance and support needs of low and moderate-income people in the community.

The City will work with local agencies to coordinate services to eliminate gaps, reduce duplication of programs, and emphasize efficient service delivery for local, state, and federal programs.

The City will continue to participate in the DuPage County HOME Advisory Commission and will increase participation in the Continuum of Care (CoC) and other organizations, such as Impact DuPage to learn and provide input on how implementation of homelessness and affordable housing programs can be improved county-wide.

Actions planned to enhance coordination between public and private housing and social service agencies

The City will continue to work to strengthen relationships with DuPage County and with county-wide nonprofit social service agencies and housing providers, including the DuPage Housing Authority. We will work with these organizations to enhance coordination between public and private agencies and between nonprofit agencies providing different services to the same clientele. Many nonprofit agencies have already developed these partnerships and the City will consult with them to determine how we can

help to enhance these efforts.

Discussion

See individual sections above.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

This section reports on Naperville's expected Program Income for Program Year 2020, the amount of funds that will be used for urgent needs and on the percentage of CDBG funds that will be used to benefit low and moderate income residents.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	89.57%

Discussion

The City of Naperville does not anticipate receiving program income from any of the sources listed above during Program Year 2020. In PY 2019, the City received \$6,917 in program income that has been expended. The City does not have any urgent need activities now, so over 89% of CDBG funds will be used to benefit low and moderate-income residents. Major activities will include rehabilitating affordable rental and owner-occupied housing for families, elderly people and people with disabilities, improving public facilities, preventing homelessness, and providing services to formerly homeless people now living in supportive housing.

Attachments

Citizen Participation Comments

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Naperville, IL 60540

Certificate of Publication:

Order Number: 6272915
Purchase Order Tuesday, June 4, 2019

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This is to certify that a notice, a true copy of which is attached, was published 1 time(s) in the Naperville Sun namely one time per week or on 1 successive weeks. The first publication of the notice was made in the newspaper dated and published on 5/8/2019 and the last publication of the notice was made in the newspaper dated and published on 5/8/2019.

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**PUBLIC HEARING AND
PUBLIC COMMENT PERIOD
NOTICE CITY OF NAPERVILLE
COMMUNITY DEVELOPMENT
BLOCK GRANT FOR THE 2019
ANNUAL ACTION PLAN**

PUBLIC NOTICE is hereby given to all persons interested that on Tuesday, June 4, 2019 the City Council of the City of Naperville will hold a public hearing to identify the general housing and community development needs of persons who may benefit from its Community Development Block Grant (CDBG). The public hearing is being held to review the 2019 Annual Action Plan, a report that plans how Community Development Block Grant funds will be spent during Program Year 2019 (April 1, 2019-March 31, 2020). The hearing will be held in the Council Chambers at 400 S. Eagle Street, Naperville, IL 60540 at 7:00 PM. Citizens are invited to address comments either to CDBG Coordinator Ruth Broder at broder@naperville.il.us or 630-305-5315 or by public comment at the Tuesday, June 4, 2019 public hearing. A revised copy of the draft 2019 Annual Action Plan will be available at the Naperville Public Libraries, the Naperville Municipal Center and on the City's website on Wednesday, May 8, 2019. The public comment period will be open from Wednesday, May 8, 2019 to Thursday, June 6, 2019. Information will also be available on the city's website, <http://www.naperville.il.us/cdbg.aspx>. Any individual with a disability requesting a reasonable accommodation or a translator in order to participate in a public meeting should contact the Communications Department at least 48 hours in advance of the scheduled meeting. The Communications Department can be reached in person at 400 S. Eagle Street, Naperville, IL, via telephone 630-420-6707 or 630-305-5205 (TDD) or via e-mail at info@naperville.il.us. Every effort will be made to allow for meeting participation.
5/8/2019 6272915

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This is to certify that a notice, a true copy of which is attached, was published 1 time(s) in the Naperville Sun, namely one time per week or on 1 successive weeks. The first publication of the notice was made in the newspaper, dated and published on 7/15/2020, and the last publication of the notice was made in the newspaper dated and published on 7/15/2020.

This notice was also placed on a statewide public notice website as required by 715 ILCS 5/2. 1.

PUBLICATION DATES: Jul 16, 2020.

Naperville Sun
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**PUBLIC HEARING AND PUBLIC COMMENT PERIOD NOTICE
CITY OF NAPERVILLE COMMUNITY DEVELOPMENT BLOCK GRANT**

FOR THE AMENDED CITIZEN PARTICIPATION PLAN, PROGRAM YEAR 2019 COVID-19 SUPPLEMENT FUNDING (CDBG-CV) SUBSTANTIAL AMENDMENT AND PROGRAM YEAR 2020-2024 CONSOLIDATED PLAN-PROGRAM YEAR 2020 ANNUAL ACTION PLAN
PUBLIC NOTICE is hereby given to all persons interested that on JULY 21, 2020, the City Council of the City of Naperville will hold a public hearing to receive comments on an amended Citizen Participation Plan and identify the general housing and community development needs of persons who may benefit from its Community Development Block Grant (CDBG). The public hearing is being held to review proposed amendments to the CDBG Citizen Participation Plan; review a Substantial Amendment to its Program Year 2019 Annual Action Plan, to include supplemental CDBG funds (CDBG-CV) to be used to prevent, prepare for and respond to the coronavirus (COVID-19) pandemic; and review the Program Year 2020-2024 Consolidated Plan, a report that provide analysis and a Strategic Plan for how CDBG funds will be spent during Program Years 2020-2024 (April 1, 2020-March 31, 2025), including the Program Year 2020 (April 1, 2020-March 31, 2021) Annual Action Plan, a report that plans how CDBG funds will be spent during Program Year 2020.

The public hearing will be held via video conference during the regularly scheduled City Council meeting beginning at 7:00 PM, July 21, 2020. Instructions for participating in the public hearing remotely will be posted on the City's website at <https://naperville.legistar.com/Calendar.aspx> by 5:00 PM, July 15, 2020. Citizens are invited to address comments either to CDBG Coordinator Ruth Broder at broder@naperville.il.us or 630-305-5315 or by public comment at the July 21, 2020 public hearing. A copy of the draft Citizen Participation Plan, draft Substantial Amendment to the 2019 Annual Action Plan and draft 2020-2024 Consolidated Plan, including the 2020 Annual Action Plan, will be available at the Naperville Public Libraries, the Naperville Municipal Center and on the City's website on July 17, 2020. The public comment period will be open from July 17, 2020 through July 21, 2020. The City's website can be accessed at <http://www.naperville.il.us/cdbg.aspx>.

Any individual with a disability requesting a reasonable accommodation or a translator in order to participate in a public meeting should contact the

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Communications Department at least 48 hours in advance of the scheduled meeting. The Communications Department can be reached in person at 400 S. Eagle Street, Naperville, IL, via telephone 630-420-6707 or 630-305-5205 (TDD) or via e-mail at info@naperville.il.us. Every effort will be made to allow for meeting participation.
7/15/2020 4719862

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CITY OF NAPERVILLE, IL

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

May 16, 2017



Prepared for the City of Naperville by Mullin & Lonergan Associates, Inc.

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Executive Summary

INTRODUCTION

The preparation of this Analysis of Impediments to Fair Housing Choice (AI) serves as a component for the efforts of the City of Naperville to satisfy the requirements of the Housing and Community Development Act of 1974.

This act requires that any community receiving Community Development Block Grant (CDBG) funds affirmatively further fair housing. The AI is a review of local regulations and administrative policies, procedures, and practices affecting the location, availability, and accessibility of housing. It also assesses the conditions, both public and private, that affect fair housing choice.

Aided by an extensive stakeholder consultation and community engagement process, the City built the context for analysis by examining demographic, economic, and housing market trends within the framework of access to housing opportunities.

GENERAL FINDINGS

Naperville is becoming more racially and ethnically diverse, with a large Asian community and a growing Hispanic population. Generally, Naperville's residents have high incomes, with a median household income of \$109,512. There is a vast income disparity between racial and ethnic groups, however, with Black and Hispanic residents earning far less than the City's White and Asian population.

Persons with disabilities and female-headed households with children also face higher levels of poverty and unemployment.

Naperville has low levels of racial segregation overall, but there are a few areas in the City where minority concentrations far exceed city-wide rates. Neighborhoods in the northwest corner of the City and near the intersection of Route 59 and 87th Street, for example, have a minority population greater than 50%. These areas also have above-average poverty rates.

A key component of this analysis is the use of data to quantify and map the distribution of opportunity in the City of Naperville and assess housing options in higher opportunity areas. Factors that indicate opportunity include transit mobility, local job access, and other amenities associated with upward mobility.

Affordable housing in Naperville tends to be concentrated in higher-opportunity areas, but there are exceptions. For example, affordable housing and transit options south of 87th Street are extremely limited, making it difficult for many members of the protected classes to access opportunities in this area. Much of the housing that has been developed recently is in this area and is priced at levels that are out of reach for low- and moderate-income residents.

As members of the protected classes have incomes disproportionately lower than the general population, they are even more negatively affected by these conditions in the housing market. Thus, this lack of affordable housing south of 87th Street reduces housing choice for protected classes.

The City of Naperville has taken steps to reduce these impediments and affirmatively further fair housing choice, such as improving fair housing information available on the City's website. These activities, along with those recommended in the *Fair Housing Goals and Priorities* chapter of this AI, should be continued over the next five years.

IMPEDIMENTS TO FAIR HOUSING

The City is limited in its ability to remove all impediments to fair housing choice by the immense scope of the issues identified above. However, the City has identified actions that are appropriate, feasible, and will have a significant impact on affirmatively furthering fair housing choice throughout Naperville.

The following impediments were identified as factors that contribute to housing discrimination in Naperville. Each contributing factor is associated with a goal developed to reduce the impediment, followed in turn by actions that will be taken over the next five years.

These items, along with the *Assessment of Past Goals*, form the basis for the Fair Housing Action Plan that is presented in the *Fair Housing Goals and Priorities* chapter of this AI.

Impediment #1: Fair housing education and outreach efforts continue to be necessary to educate residents about their rights and responsibilities and to deter housing discrimination as demonstrated by:

- *Opposition to affordable housing developments for families with children mentioned by stakeholders and survey respondents*
- *Lack of knowledge among landlords about reasonable accommodations for persons with disabilities*
- *Housing discrimination complaints alleging discrimination on the basis of disability, race and familial status*
- *Lack of knowledge among residents and municipal officials about what constitutes illegal discrimination under the Fair Housing Act*

Goal: Increase fair housing education and outreach opportunities available to residents; landlords, property management agents and real estate professionals; City staff, appointed boards and commissions; and, City municipal leaders.

Action 1A: Designate the Housing Advisory Commission as the entity responsible for overseeing the implementation of this Fair Housing Action Plan with support from the staff liaison to the Housing Advisory Commission, the Transportation, Engineering and Development (TED) Business Group and the City Clerk's Office.

Action 1B: Contract with a Qualified Fair Housing Enforcement Organization to conduct paired real estate testing in the rental market based on source of income, disability and race.

Action 1C: Contract with a Qualified Fair Housing Enforcement Organization to conduct fair housing education and outreach workshops for residents, landlords, real estate agents, property management agents, lenders, City staff, City Council, and City boards and commissions.

Action 1D: Contract with a HUD-certified homebuyer counseling organization to provide homebuyer education and financial management training, especially for groups with low homeownership rates.

Action 1E: The City will review its procedures for investigating housing discrimination complaints to ensure they are in full compliance with applicable laws and reflect best practices for investigation and resolution of complaints.

Action 1F: Amend Title 10, Section 5, §10-5-6-1 of the Naperville Municipal Code to allow a housing discrimination complaint to be investigated as long as it is filed within one year of the alleged unlawful act that forms the basis of the complaint.

Action 1G: Annually review progress on achieving the AI goals and objectives.

Impediment #2: Persons with limited English proficiency may not be able to fully access Naperville's housing and community development programs and services for which they are eligible due to language barriers

Goal: Ensure that persons with limited English proficiency can access the City's affordable housing and community development services and programs.

Action 2A: Develop and implement a Language Access Plan that conforms to HUD'S Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (72 Fed. Reg. 13; Jan. 22, 2007).

Impediment #3: An inadequate supply of affordable housing throughout Naperville exists as demonstrated by:

- *High demand for affordable housing that is also accessible to persons with disabilities*
- *36.9% of renters (4,310 renter households) and 25.5% of homeowners (9,635 homeowner households) were cost-burdened in 2013 and paying more than 30% of their income on housing expenses*
- *59.9% of all renter households (5,248 households) cannot afford the median gross rent of \$1,290 in Naperville*
- *Housing Choice Voucher payment standards are often inadequate for two-bedroom housing units in Naperville*

- *The difficulty that social service agencies have in securing affordable housing for the elderly, large families and persons with disabilities*

Goal: Expand affordable housing choice throughout Naperville to meet existing and future market demand for members of the protected classes.

Action 3A: Prepare an Affordable Housing Plan to determine the degree to which affordable housing demand exceeds current housing supply; implement any recommendations as supplemental initiatives to this Fair Housing Action Plan.

Action 3B: Fully integrate planning for affordable housing and fair housing into the comprehensive planning and implementation process with plan amendments.

Action 3C: Identify parcels of land appropriate for rezoning for multi-family development; amend the City Zoning Map to rezone these parcels and create opportunities for new affordable housing development.

Action 3D: Consider reasonable accommodation requests as a new policy established through this AI, including but not limited to zoning ordinance provisions.

Impediment #4: The public transportation system within Naperville restricts housing choice and access to employment and education opportunities for residents who are transit-dependent

Goal: Advocate for public transit systems to connect lower income neighborhoods and affordable housing communities with major employment centers and education facilities.

Action 4A: Work with social service providers to better understand the transportation needs of the protected classes and other lower income households.

Action 4B: Establish a formal policy of encouraging all local units of government and social service agencies, including the City, Park District, Townships and Counties, to locate public service facilities on bus lines, whenever possible.

Action 4C: Work with Chicago RTA and PACE to coordinate future transit route development with the review and approval process for affordable housing development.

Introduction

The City of Naperville, Illinois has prepared an Analysis of Impediments to Fair Housing Choice to satisfy the requirements of the Housing and Community Development Act of 1974, as amended. This act requires that any community receiving Community Development Block Grant (CDBG) funds affirmatively further fair housing. As a result, the City is charged with the responsibility of conducting its CDBG programs in compliance with the federal Fair Housing Act. The responsibility of compliance with the federal Fair Housing Act extends to nonprofit organizations and other entities, including local units of government that receive federal funds through the City.

Entitlement communities receiving CDBG funds are required to:

- Examine and attempt to alleviate housing discrimination within their jurisdiction
- Promote fair housing choice for all persons
- Provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status or national origin
- Promote housing that is accessible to and usable by persons with disabilities, and
- Comply with the non-discrimination requirements of the Fair Housing Act. These requirements can be achieved through the preparation of an Analysis of Impediments to Fair Housing Choice.

The Analysis of Impediments to Fair Housing Choice (AI) is a review of a jurisdiction's laws, regulations and administrative policies, procedures and practices affecting the location, availability and accessibility of housing, as well as an assessment of conditions, both public and private, affecting fair housing choice.

Aided by an extensive stakeholder consultation process, the City built the context for analysis by examining demographic, economic, and housing market trends within the framework of access to housing opportunities.

FAIR HOUSING CHOICE

Equal and free access to residential housing (housing choice) is a fundamental right that enables members of the protected classes to pursue personal, educational, employment or other goals. Because housing choice is so critical to personal development, fair housing is a goal that government, public officials and private citizens must embrace if equality of opportunity is to become a reality.

Persons who are protected from discrimination by fair housing laws are referred to as members of the protected classes.

This Analysis encompasses the following five areas related to fair housing choice:

- The sale or rental of dwellings (public and private)

- The provision of financial assistance for dwellings
- Public policies and actions affecting the approval of sites and other building requirements used in the approval process for the construction of publicly assisted housing
- The administrative policies concerning community development and housing activities, which affect opportunities of minority households to select housing inside or outside areas of minority concentration, and
- Where there is a determination of unlawful segregation or other housing discrimination by a court or a finding of noncompliance by the U.S. Department of Housing and Urban Development (HUD) regarding assisted housing in a recipient's jurisdiction, an analysis of the actions which could be taken by the recipient to remedy the discriminatory condition, including actions involving the expenditure of funds made available under 24 CFR Part 570 (i.e., the CDBG program regulations) and/or 24 CFR Part 92 (i.e., the HOME program regulations).

As a federal entitlement community, the City has specific fair housing planning responsibilities. These include:

- Conducting an Analysis of Impediments to Fair Housing Choice
- Developing actions to overcome the effects of identified impediments to fair housing, and

- Maintaining records to support the jurisdictions' initiatives to affirmatively further fair housing.

HUD interprets these three certifying elements to include:

- Analyzing housing discrimination in a jurisdiction and working toward its elimination
- Promoting fair housing choice for all people
- Providing racially and ethnically inclusive patterns of housing occupancy
- Promoting housing that is physically accessible to, and usable by, all people, particularly individuals with disabilities, and
- Fostering compliance with the nondiscrimination provisions of the Fair Housing Act.

This Analysis will:

- Evaluate population, household, income and housing characteristics
- Evaluate public and private sector policies that impact fair housing choice
- Identify blatant or de facto impediments to fair housing choice where any may exist, and
- Recommend specific strategies to overcome the effects of any identified impediments.

HUD defines an impediment to fair housing choice as any actions, omissions or decisions that restrict or have the effect of restricting the availability of housing choices, based on race, color, religion, sex, disability, familial status or national origin.

This Analysis serves as the basis for fair housing planning, provides essential information to policy makers,

administrative staff, housing providers, lenders, and fair housing advocates, and assists in building public support for fair housing efforts. The elected governmental body is expected to review and approve the Analysis and use it for direction, leadership and resources for future fair housing planning. Furthermore, the Analysis will serve as a point-in-time baseline against which future progress in terms of implementing fair housing initiatives will be evaluated and recorded.

FAIR HOUSING ACT

The federal Fair Housing Act covers most housing. In some circumstances, the Act exempts owner-occupied buildings with no more than four units, single family housing sold or rented without the use of a broker, and housing operated by organizations and private clubs that limit occupancy to members.

In the sale and rental of housing

No one may take any of the following actions based on race, color, religion, sex, disability, familial status or national origin:

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Deny a dwelling
- Set different terms, conditions or privileges for the sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale, or rental

- For profit, persuade owners to sell or rent (blockbusting), or
- Deny anyone access to or membership in a facility or service (such as a multiple listing service) related to the sale or rental of housing.

In mortgage lending

No one may take any of the following actions based on race, color, religion, sex, disability, familial status or national origin:

- Refuse to make a mortgage loan
- Refuse to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising property
- Refuse to purchase a loan, or
- Set different terms or conditions for purchasing a loan.

Other prohibitions

It is illegal for anyone to:

- Threaten, coerce, intimidate or interfere with anyone exercising a fair housing right or assisting others who exercise that right
- Advertise or make any statement that indicates a limitation or preference based on race, color, religion, sex, disability, familial status, or national origin. This prohibition against discriminatory advertising applies to single family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

Persons with disabilities

If someone has a physical or mental disability (including hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS, AIDS Related Complex and mental retardation) that substantially limits one or more major life activities, or has a record of such a disability, or is regarded as having such a disability, a landlord may not:

- Refuse to let the disabled person make reasonable modifications to a dwelling or common use areas, at the disabled person's expense, if necessary for the disabled person to use the housing. Where reasonable, the landlord may permit changes only if the disabled person agrees to restore the property to its original condition when he or she moves.
- Refuse to make reasonable accommodations in rules, policies, practices or services if necessary for the disabled person to use the housing.

For example, a building with a "no pets" policy must make a reasonable accommodation to allow a tenant with a visual impairment to keep a service animal.

Families with Children

Unless a building or community qualifies as housing for older persons, it may not discriminate based on familial status. That is, it may not discriminate against families in which one or more children under the age 18 live with:

- A parent or
- A person who has legal custody of the child or children or
- The designee of the parent or legal custodian, with the parent or custodian's written permission.

Familial status protection also applies to pregnant women and anyone securing legal custody of a child under age 18.

- Housing for older persons is exempt from the prohibition against familial status discrimination if:
- The HUD Secretary has determined that it is specifically designed for and occupied by elderly persons under a federal, state or local government program, or
- It is occupied solely by persons who are 62 or older, or
- It houses at least one person who is 55 or older in at least 80% of the occupied units, and adheres to a policy that demonstrates the intent to house persons who are 55 or older, as previously described.

A transition period permits residents on or before September 13, 1988 to continue living in the housing, regardless of their age, without interfering with the exemption.

Recent changes to HUD regulations

Two major changes in HUD's program regulations have occurred since the City's last AI in 2008:

HUD Core Programs

As of a Final Rule effective March 5, 2012, HUD implemented policy prohibiting discrimination on the basis of sexual orientation, gender identity, and marital status by any housing provider who receives HUD funding, including public housing agencies, those who are insured by the Federal Housing Administration, including lenders, and those who participate in federal entitlement grant programs through HUD.

This change to HUD program regulations did not amend the Fair Housing Act to prohibit all discrimination in the private market on the basis of sexual orientation, gender identity or marital status.

Affirmatively Furthering Fair Housing

HUD issued a Final Rule, effective on July 16, 2015, to clarify fair housing obligations for HUD grantees. The Final Rule requires grantees to use an "Assessment of Fair Housing" (AFH) process instead of the current "Analysis of Impediments" process. The AFH process has expanded community outreach requirements and is more intricately connected to the Consolidated Plan process. Per the Final Rule, the City of Naperville will not have to submit an AFH until nine months prior to the start of HUD FY 2020.

METHODOLOGY

The firm of Mullin & Lonergan Associates, Inc. (M&L) was retained to conduct the Analysis of Impediments to Fair Housing Choice. M&L utilized a comprehensive approach to complete the AI. The following sources were utilized:

- The most recently available demographic data regarding population, household, housing, income, and employment at the census tract and municipal level, including data from the U.S. Census Bureau and HUD's Affirmatively Furthering Fair Housing Data and Mapping Tool
- Public policies affecting the siting and development of housing
- Administrative policies concerning housing and community development
- Financial lending institution data from the Home Mortgage Disclosure Act (HMDA) database
- Consolidated Plans, Annual Plans and CAPERs for the City
- The 2008 Analysis of Impediments to Fair Housing Choice for the City of Naperville
- Fair housing complaints filed with HUD, the Illinois Department of Human Rights, and HOPE Fair Housing Center
- Interview group sessions conducted with agencies and organizations that provide housing and housing related services to members of the protected classes
- Citizen input received through public meetings and an online survey

See the *Appendix* for additional details on the methodology.

Community Participation Process

SUMMARY OF OUTREACH AND COMMUNITY ENGAGEMENT

The City of Naperville engaged the community throughout the development of the 2016 Analysis of Impediments to Fair Housing Choice. The public outreach process consisted of the following activities:

- Face-to-face interviews with key stakeholders
- Conducting web-based surveys for stakeholders, the general public, and municipal officials
- Holding two public meetings
- Providing a 30-day public display and comment period
- Presenting the AI before City Council

Each of these initiatives is discussed in greater detail in this chapter.

Stakeholder Interviews

Stakeholder outreach is a highly valuable element of the AI planning process. Reaching out to organizations that provide direct services to members of the protected classes is an effective way to learn about the public policies and practices that restrict housing choice for lower income minorities and other protected class members.

To gather this input, the City conducted a series of stakeholder interviews during the week of July 11-July 14, 2016.

The following organizations were consulted through stakeholder interviews:

Affordable Housing Providers

- DuPage Habitat for Humanity
- DuPage Housing Authority
- Naperville Elderly Homes
- Senior Home Sharing
- Bridge Communities
- ChildServ

Disability Advocacy Organizations

- Ray Graham Association
- Turning Pointe Autism Foundation
- Little Friends

Fair Housing Advocacy Organization

- HOPE Fair Housing Center

Homeless Assistance & Human Services Providers

- Loaves and Fishes
- Serenity House
- DuPage Pads
- Family Shelter Service
- 360 Youth Services
- The Bernard Coffey Veterans Foundation

City Departments

- City Clerk's Office
- Naperville Transportation, Engineering and Development (TED) Business Group

Sign-in sheets from stakeholder meetings are included in the Appendix, and a summary of the main issues raised by stakeholders is included below. In addition, stakeholder comments have been incorporated throughout the AI, where appropriate.

Public Meetings

A public meeting was held on July 11, 2016 to share information about the AI process and collect input on fair housing issues in the City. The meeting was held in conjunction with a regular meeting of the Housing Advisory Commission.

The draft AI was made available for public review and comment from January 23, 2017 to February 21, 2017. A second public meeting was held before the Housing Advisory Commission on February 2, 2017 during the public comment period. Several residents spoke and some provided written comments within the comment period.

Web-Based Survey

To maximize community engagement, web-based survey instruments were developed to solicit input primarily from three groups: stakeholders, the general public, and municipal officials.

A skip logic survey was created and launched from Survey Monkey and made available from late June to late July. Stakeholders were encouraged to complete the survey regardless of whether or not they had participated in an interview session.

Survey questions focused on (1) assessing respondents' level of understanding of fair housing laws and

issues and (2) identifying the type and frequency of fair housing activities being undertaken in Naperville.

A total of 223 survey responses were received and tabulated for this summary. Of the respondents, 188 were residents, 17 were stakeholders, and 18 were municipal officials. A series of introductory questions were posed in each survey followed by a series of five scenarios, four of which described discriminatory behavior. Respondents were asked to give their opinion of the scenario regardless of what the law says, and then provide their response as to whether or not the behavior was discriminatory. The responses are summarized below.

Stakeholders and Residents

Of the 205 respondents to the stakeholders and residents survey, 188 were residents of Naperville and 17 were stakeholders working in a housing-related or social services organization. About 70% of residents who responded had lived in Naperville for more than 10 years, and over 90% owned their homes.

Among the most significant respondents by this group were the following:

- In scenarios describing illegal discriminatory behavior, 49.6% to 67.7% of respondents did not know that the behavior described was in fact illegal
- Thirteen respondents felt that they had been treated unfairly when looking for a place to live; however, only one of these respondents specifically stated that this unfair treatment occurred in Naperville.

Municipal Officials

Of the 18 responses received from municipal officials, ten were from City staff, three were from City Council members, and five were from City boards and commissions. The vast majority of respondents had held their positions for at least two years.

Among the most significant responses by this group were the following:

- In scenarios describing illegal discriminatory behavior, 33.3% to 71.4% of respondents did not know that the behavior described was in fact illegal
- All but two respondents were aware of or had participated in at least one fair housing activity in Naperville

Overall, the results of the online survey indicate a continuing need for fair housing education and outreach for both municipal officials and the general public. In addition, enforcement of laws against discriminatory behavior continues to be needed in Naperville.

KEY FAIR HOUSING ISSUES IDENTIFIED

Across the various community participation initiatives conducted for this AI, several consistent themes were mentioned repeatedly by stakeholders and members of the general public. These included the following:

- A lack of affordable housing, particularly housing that is accessible, is the biggest impediment to fair housing choice in the City.
- While efforts to increase the availability of affordable housing for seniors and accessible housing in Naperville tend to be well-received, there is community opposition to subsidized housing for families with children.
- There are few rental units with three or more bedrooms available in Naperville.
- Landlords are often not aware of their obligations to provide reasonable accommodations to tenants with disabilities.
- Naperville's Fair Housing Ordinance bans source of income discrimination, but the ordinance does not define "legal source of income," so many landlords do not accept Housing Choice Vouchers. (Since these interviews were conducted, City Council has revised the ordinance to define what constitutes legal sources of income.)

SUMMARY OF COMMENTS RECEIVED ON THE AI DOCUMENT

Several revisions were made to the draft AI document in response to substantive comments received. These include the following:

- Clarification of the lack of R/ECAPs based on HUD's definition and the City's decision to determine its own reasonable thresholds
- Revising some of the proposed recommendations to reflect corrected terminology
- Adding two recommendations focused on amending the zoning ordinance to incorporate a Reasonable Accommodation policy and a system for monitoring the siting of group homes in order to prevent restriction of housing choice for person with disabilities
- Removing the recommendation that all housing discrimination complaints be directed to a Qualified Fair Housing Organization rather than the Housing Advisory Commission

Assessment of Past Goals

INTRODUCTION

Naperville's last Analysis of Impediments was adopted by City Council in 2008. The 2008 AI identified a total of 19 impediments to fair housing choice in Naperville, the majority of which were associated with the private housing market.

PROGRESS ON GOALS

Each impediment and associated recommendation(s) from the 2008 AI is listed below, along with a brief summary of the progress the City has made. Progress on goals was assessed through an examination of the City's Consolidated Annual Performance Evaluation Reports and discussion with City staff.

Recommendation 1: Proactively conduct testing of sale and rental properties to identify such practices as racial steering and other violations of the Fair Housing Act

Progress: The City has not conducted paired testing since the adoption of the last AI. This recommendation will be included in the *Fair Housing Goals and Priorities* chapter of this AI.

Recommendation 2: Consider establishing a mandatory periodic training program for all real estate professionals practicing in Naperville that candidly examines fair housing issues

Progress: The City does not have a mandatory training program for real estate professionals practicing in Naperville primarily because enforcing participation is not within the City's authority. Because this recommendation is related to Recommendation 1, the two will be consolidated and included in the *Fair Housing Goals and Priorities* chapter of this AI.

Recommendation 3: Work with local real estate organizations to increase their efforts to recruit minorities as residential real estate agents, leasing agents, and property managers

Progress: The City has not implemented this recommendation and has determined that it is the responsibility of the Northern Illinois Association of Realtors (or other associations) to undertake outreach and recruitment efforts of their membership.

Recommendation 4: Work closely with local developers and landlords to include people of all races and ethnicities in display advertising and brochures

Progress: The City has not implemented this action. This recommendation will be consolidated with Recommendations 1, 2, and 3 and included in the *Fair Housing Goals and Priorities* chapter of this AI.

Recommendation 5: Contract with an organization that seeks to expand the housing choices of potential minority tenants through escorting them to apartment showings

Progress: The City has not implemented this initiative, primarily due to a lack of financial resources and the absence of a local entity trained to carry out this initiative. Although this action could be beneficial, it is not feasible to be carried over to this AI.

Recommendation 6: Require affirmative marketing of all new residential developments and buildings in order to receive a building permit, zoning, or subdivision approval

Progress: The City has not implemented this recommendation and has determined that it is beyond its authority to implement this mandate for private residential development.

Recommendation 7: Establish methods to gather data on the race/ethnicity of people moving to, out of, and within Naperville.

Progress: The City has implemented this recommendation through the use of reliable Census data and information from the school district to gather these statistics, all of which are incorporated into the Comprehensive Plan, Consolidated Plan, and Annual Action Plans. A summary of the current demographics is included in the Demographic and Housing Summary section of this AI.

Recommendation 8: Contract with an organization well-versed in fair housing law to conduct periodic workshops for condominium association officers and management firms to make them aware of regulations on reasonable accommodations

Progress: The City has not implemented this initiative but the topic will be included in the *Fair Housing Goals and Priorities* chapter of this AI.

Recommendation 9: Contract with an organization to provide homebuyer education and financial education

Progress: The City has not implemented this initiative but the topic will be included in the *Fair Housing Goals and Priorities* chapter of this AI.

Recommendation 10: Embrace the concept of a stable, racially and ethnically-integrated community as a goal and commit itself to achieving this goal

Progress: Naperville promotes the concept of racial and ethnic integration through its fair housing activities. Because this goal is the guiding

principle behind the City's fair housing activities, it will be an underlying theme of all fair housing education and outreach conducted in the City.

Recommendation 11: Fully integrate planning for affordable housing and fair housing in Naperville into the comprehensive planning and implementation process and include an explicit evaluation of the impact of new residential development proposals on affordable housing and fair housing in staff development reviews

Progress: The City has not incorporated planning for affordable housing or fair housing into the comprehensive planning and implementation process. Staff review of development proposals does not include an explicit evaluation of the impact on affordable housing or fair housing. However, the Housing Advisory Commission is staffed by City planners to foster coordination. Additionally, the City will complete an affordable housing plan in 2017 as required by the State of Illinois under the Affordable Housing Planning and Appeal Act. This recommendation will be included in the *Fair Housing Goals and Priorities* chapter of this AI.

Recommendation 12: Consider enacting an immediate moratorium on granting any new building permits or zoning approvals for residential development until it can amend its zoning ordinance to establish mandatory inclusionary zoning; Consider using CDBG funds to buy down the cost of apartment buildings to convert to low-equity cooperatives

Progress: The City determined that the proposed moratorium was not cost-neutral, per its 2010 *Action Plan: Addressing the Housing Needs of Naperville's Low to Moderate Income Senior Citizens and Residents with Disabilities*.

The City has not received applications for CDBG funding for the purpose of establishing low-equity cooperatives and does not expect to receive such applications in the future. Furthermore, the amount of the City's Annual CDBG grant is not sufficient to undertake this initiative. As a result, this element of the recommendation will not be carried over.

However, the development of a mandatory inclusionary housing policy will be included as a recommendation in the *Fair Housing Goals and Priorities* chapter of this AI.

Recommendation 13: Consider rezoning more land to multi-family residential districts

Progress: The City has re-zoned several parcels to multi-family residential since the last AI. Additionally, the City will complete an affordable housing plan in 2017 as required by the State of Illinois under the Affordable Housing Planning and Appeal Act, which will assess the need for additional affordable housing and the need for more appropriately zoned land for multi-family development. This recommendation will be modified slightly and carried over into the *Fair Housing Goals and Priorities* chapter of this AI.

Recommendation 14: Train all City phone operators to refer callers about fair housing to the designated staff person in City Hall and list the number to call on the City website.

Progress: The “Who to Call” information is displayed prominently on the Housing Advisory Commission page on the City’s website. This recommendation will be included in the *Fair Housing Goals and Priorities* chapter of this AI to ensure that phone operators are trained to refer callers to the designated staff person or other appropriate entity.

Recommendation 15: Adopt a proactive approach to disseminating information about the City’s Fair Housing Ordinance

Progress: The City’s website contains easy-to-read information on fair housing and clearly explains the process for filing a complaint, and uses videos to disseminate information as well. The City also provided information on fair housing at a City-sponsored housing fair in 2015. This recommendation will be continued in the AI’s *Fair Housing Goals and Priorities* chapter, particularly in light of the recent amendment to define legal source of income in the Fair Housing Ordinance and establishment of a Housing Choice Voucher Education Committee.

Recommendation 16: Amend Title 10, Section 5, §10-5-6-1 of the Naperville Municipal Code to allow a complaint to be heard as long as it is filed within one year of the alleged unlawful act that forms the basis of the complaint.

Progress: This recommendation will be included in the *Fair Housing Goals and Priorities* chapter of this AI.

Recommendation 17: Sponsor workshops on zoning and the application of Building and Life Safety Codes to residential care homes.

Progress: Residential care homes are permitted in all residential districts and City planning staff work with non-profits and other parties who operate residential care homes to make accommodations as necessary. Additionally, stakeholders interviewed as part of this AI’s outreach process stated that they do not see zoning or building code regulations as a barrier in the City. Consequently, although workshops have not been held, the intent of the recommendation has been addressed.

Recommendation 18: Amend municipal codes to eliminate provisions that result “from false or over-protective assumptions about the needs of handicapped people, as well as unfounded fears of difficulties about the problems that their tenancies may pose”

Progress: The City has amended its building codes to accommodate persons with disabilities when requested. Additionally, stakeholders interviewed as part of this AI’s outreach process stated that they do not see municipal codes as a barrier to operating residential care homes in the City. Consequently, the intent of this recommendation has been addressed.

Recommendation 19: Monitor the location of present and future residential care homes to establish an early warning system that would identify potentially harmful clustering

Progress: The City has not implemented this initiative and has determined that such an initiative would be difficult, if not impossible, since the City regulates group homes for persons with disabilities as single family dwelling units. As a result, there is no method through which the City could distinguish between the two in order to track and monitor the former.

Overall, however, most of the recommendations have not been addressed. This is primarily due to budgetary limitations and staffing capacity. In addition, some recommendations are outside the scope of the City's jurisdiction.

SUMMARY

Naperville has begun to implement several of the recommendations developed as part of the 2008 AI. The City has made improvements to its website to facilitate access to fair housing information, re-zoned more land for multi-family housing, and routinely makes reasonable accommodations for facilities that serve individuals with disabilities.

Additionally, during the preparation of this AI document, the City Council defined "legal source of income" in its fair housing ordinance in early October 2016 to include recipients of government assistance. This makes it illegal for landlords in Naperville to deny an applicant based on insufficient income if they have not included all sources of income, such as housing subsidies, in their calculations.

Demographic and Housing Summary

INTRODUCTION

This section of the AI analyzes the demographic and housing characteristics of Naperville, focusing on members of the protected classes listed in the City's Fair Housing Ordinance: race, color, religion, sex, national origin, ancestry, age, marital status, familial status, physical or mental handicap or disability, military status, sexual orientation, and legal source of income.

This data is primarily from the United States Census Bureau, which publishes the American Community Survey (ACS) as well as a comprehensive decennial census. At the time of publication, the most recent year for which ACS data is available was 2014.

KEY CONCLUSIONS

The following items are key conclusions drawn from the demographic and housing summary:

- Naperville's population growth slowed considerably since 1990, after experiencing a large increase between 1980 and 1990.
- Naperville is becoming more racially and ethnically diverse.
- Naperville's foreign-born residents tend to be better-educated and have higher household incomes than

native-born residents, but are also more likely to live in poverty.

- In Naperville, 6.1% of the population has a disability. For elderly residents, the disability rate is 28.5%.
- There are 20,569 households with children in Naperville, accounting for 41% of all households.
- Non-White households tend to have larger families and be renters, but the supply of rental units with three or more bedrooms is very limited.
- Veterans comprise 4.5% of the City's adult population.
- Residents of Naperville tend to have much higher incomes than most Americans; however, there are significant income and poverty rate disparities for members of the protected classes.
- Naperville's housing stock is primarily comprised of owner-occupied, single-family homes, but the proportion of renter-occupied units is growing at a faster rate.
- Black and Hispanic households are much less likely to own their homes.
- Renters are more likely to be cost-burdened than homeowners.
- Naperville's housing stock is generally newer than the state's, nation's and DuPage County's, but is slightly older than the housing stock in Will County.

POPULATION TRENDS

Naperville's population growth has slowed considerably since 1990

The chart below shows the rate of population change for Naperville and Illinois, marked in 10-year (decennial) increments. Population estimates from the most recent American Community Survey are also included in the chart. As the data show, Naperville's population growth rate has historically exceeded the State of Illinois'. Most notably, Naperville's population doubled between 1980 and 1990 while Illinois' remained stagnant. However, beginning in 1990, the City's population growth rate has declined sharply, aligning more closely with State trends. Between 2010 and 2014, the City grew by only 1.6%, compared to a statewide rate of 0.3% and a national rate of 1.7%.

Figure 1, Population Trends, 1990 - 2014

Year	Naperville		Illinois*	
	Number	Change	Number	Change
1960	12,933	-	10,081,158	-
1970	22,617	74.9%	11,113,976	10.2%
1980	42,601	88.4%	11,426,518	2.8%
1990	85,351	100.3%	11,430,602	0.0%
2000	128,358	50.4%	12,419,293	8.6%
2010	141,853	10.5%	12,830,632	3.3%
2014	144,108	1.6%	12,868,747	0.3%

Source: U.S. Decennial Census, 1960-2010; American Community Survey, 2014

*Illinois' population grew by 0.04% between 1980 and 1990.

The map on the following page illustrates population growth trends in Naperville by Census Tract between 2000 and 2014. Most of the City's population growth was concentrated near its western and southern borders. Although the City experienced a population growth rate of about 12% during this period, many of the central

neighborhoods decreased in population. The decrease in these neighborhoods ranged from less than 1.0% to 12.6%, with an average decrease of 4.4%.

RACE AND ETHNICITY

Naperville is becoming more racially and ethnically diverse

The population of Naperville has followed the national trend of becoming more diverse. In 2000, the City was 14.3% percent Non-White. By 2014, the proportion of Non-White residents increased to 25.2% of the population. Asian residents are the largest non-White racial group in Naperville by a large proportion, comprising 16.8% of the City's total population. Black residents account for 4.5% of Naperville's population. The remaining Non-White residents are primarily of mixed races.

Naperville has also experienced considerable growth in ethnically Hispanic residents. The Hispanic population grew from 4,493 residents in 2000 to 9,076 residents in 2014, accounting for 6.3% of the City's total population.

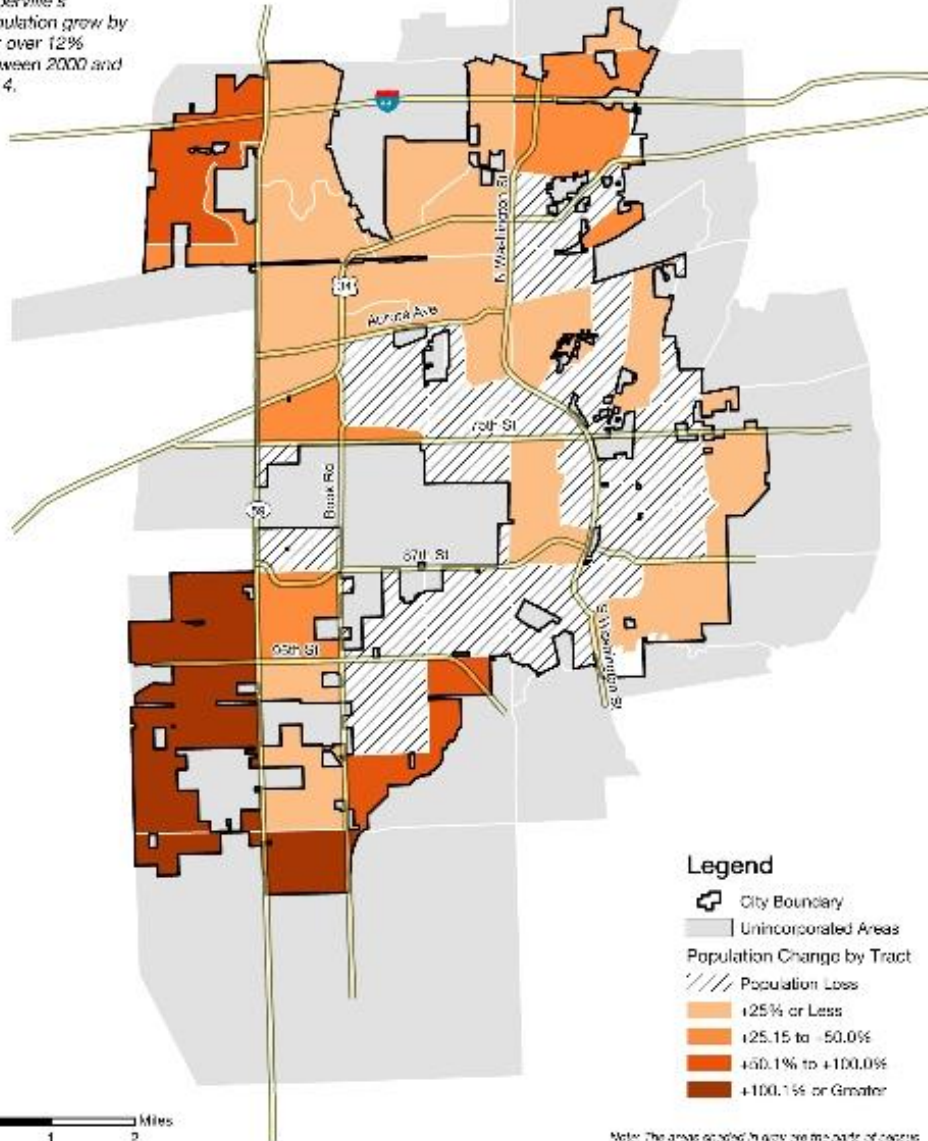
As shown in the maps on the following pages, Asian residents are dispersed throughout the City, but there are significant concentrations of Black residents in the southern part of the City and of Hispanic residents in the northwest corner of Naperville. High concentrations of White residents – over 90.1% – are found in the neighborhoods surrounding downtown and east of the I-88/Rt. 59 interchange. The issue of segregation is discussed later in this AI.

Population Change, 2000 to 2014

City of Naperville AI



Naperville's population grew by just over 12% between 2000 and 2014.



0 1 2 Miles
 Mapping: Mullin & Leheran Associates, 2016
 Source: American Community Survey 5 Year Estimates, 2000-2014

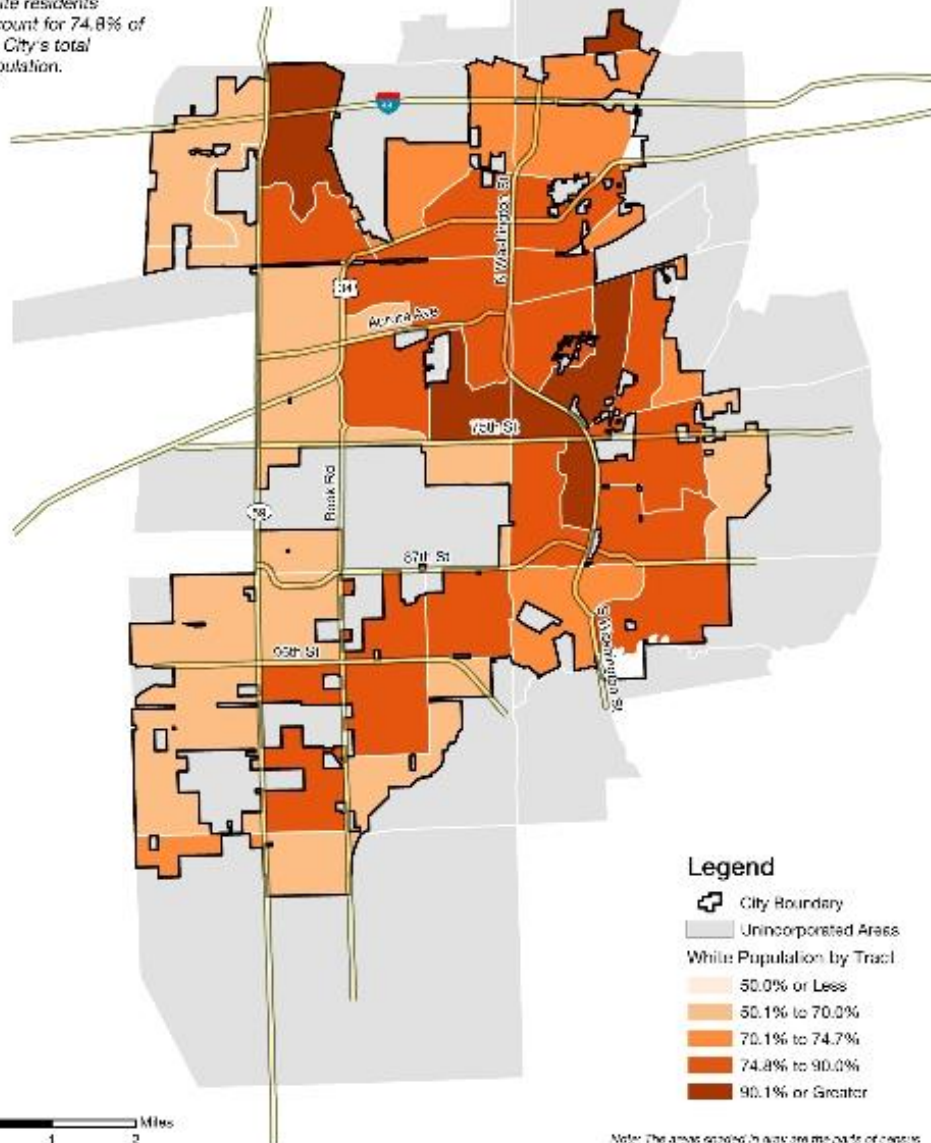
Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 1, 2015.

White Concentration, 2014

City of Naperville AI



White residents account for 74.8% of the City's total population.



0 1 2 Miles
 Mapping: Mullin & Legerman Associates, 2016
 Source: American Community Survey 5 Year Estimates, 2010-2014

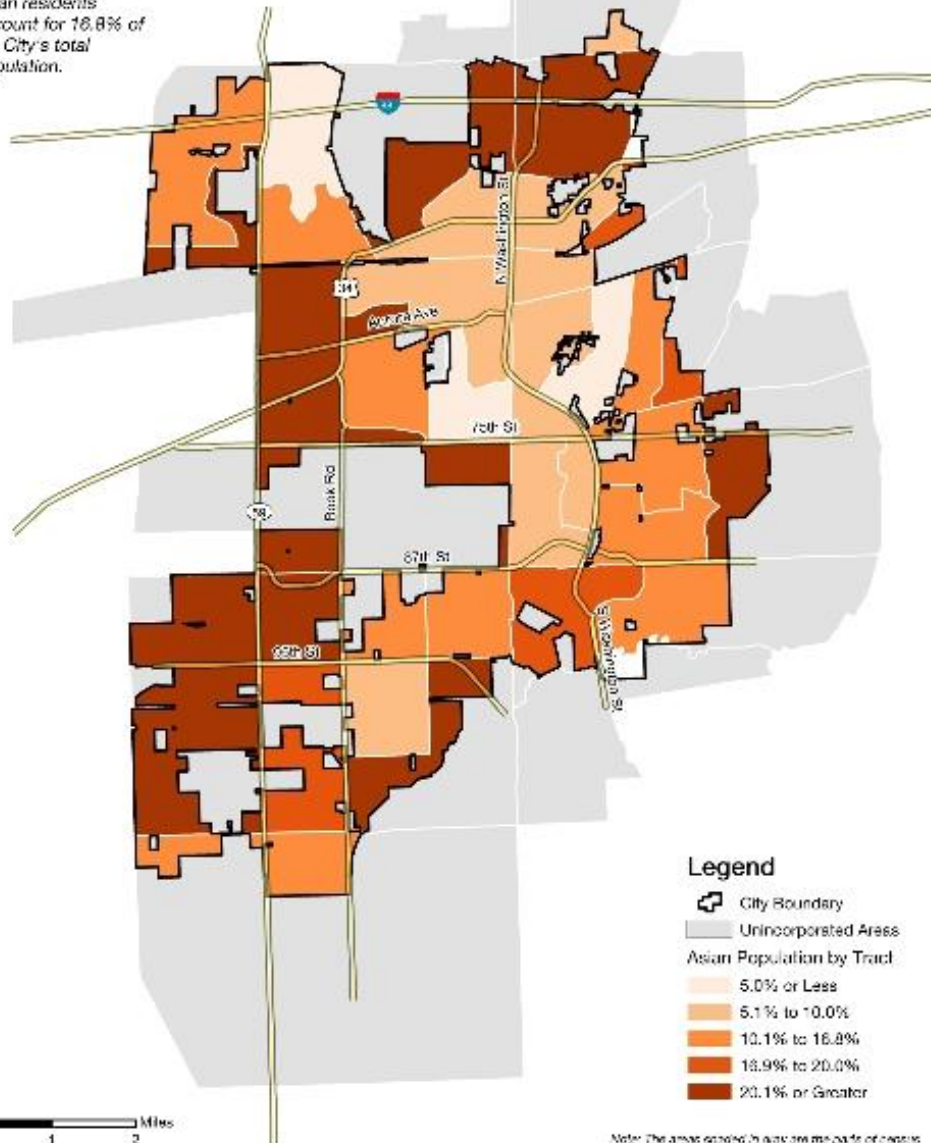
Note: The areas shown in gray are not parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2016.

Asian Concentration, 2014

City of Naperville AI



Asian residents account for 16.8% of the City's total population.



0 1 2 Miles
 Mapping: Mullin & Legerman Associates, 2016
 Source: American Community Survey 5 Year Estimates, 2010-2014

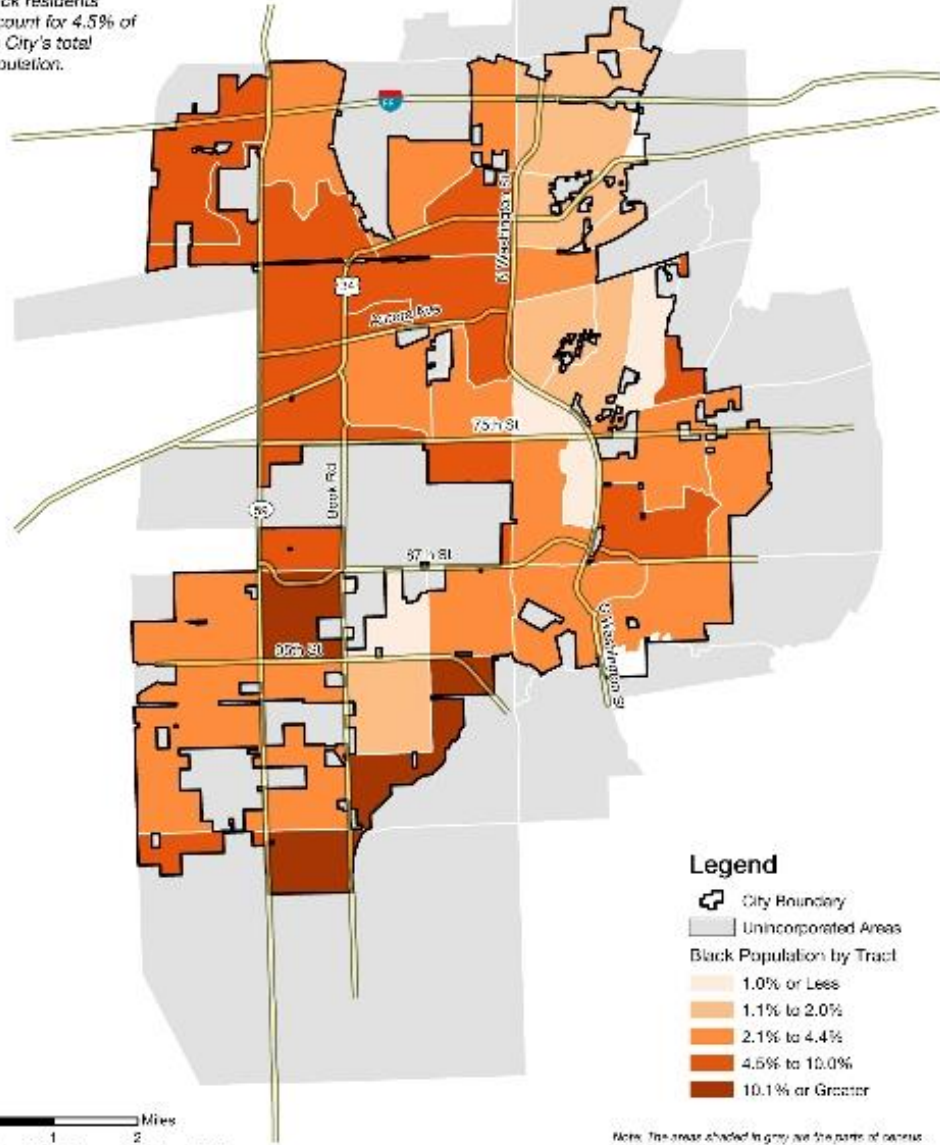
Note: The areas shown in gray are the parts of nearby towns in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2016.

Black Concentration, 2014

City of Naperville AI



Black residents account for 4.5% of the City's total population.

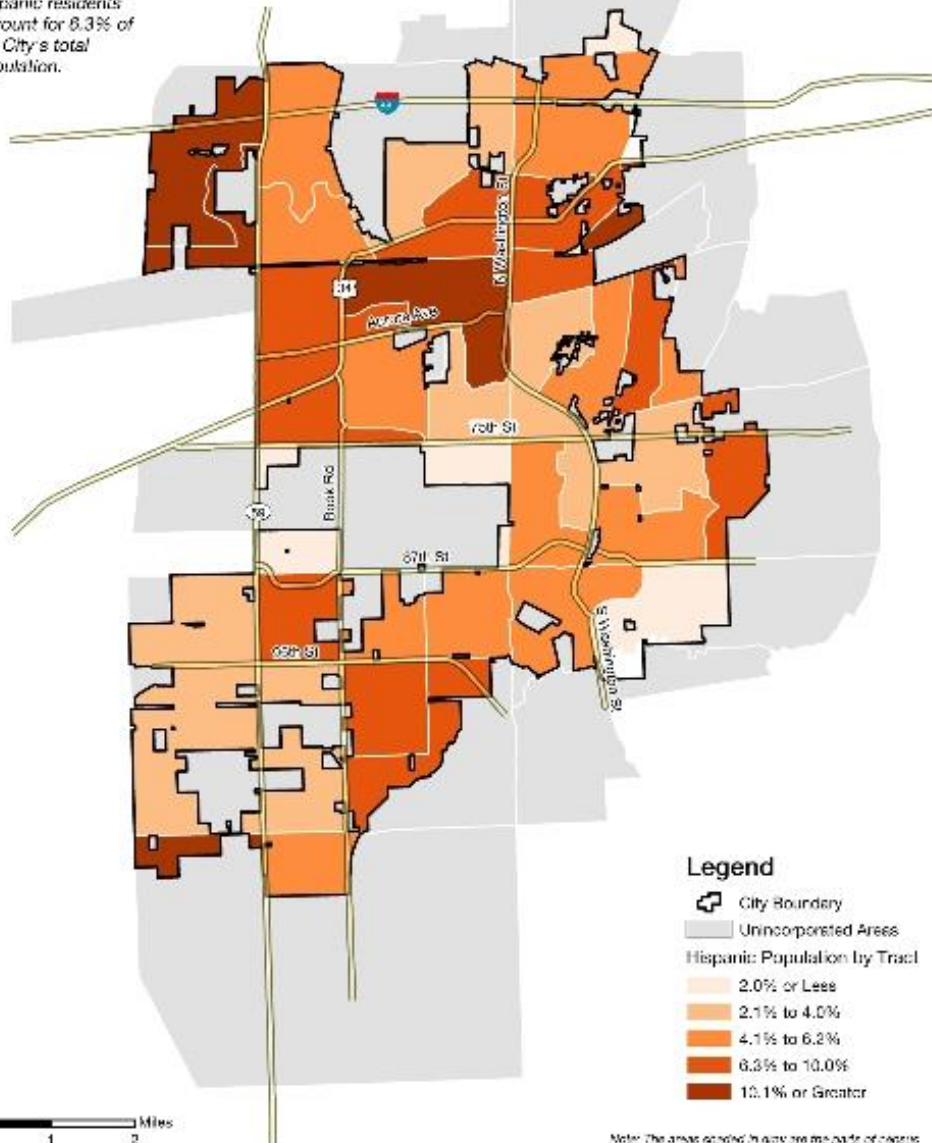


Hispanic Concentration, 2014

City of Naperville AI



Hispanic residents account for 6.3% of the City's total population.



Legend

- City Boundary
- Unincorporated Area
- Hispanic Population by Tract
 - 2.0% or Less
 - 2.1% to 4.0%
 - 4.1% to 6.2%
 - 6.3% to 10.0%
 - 10.1% or Greater

0 1 2 Miles
 Mapping: Mullin & Leveque Associates, 2016
 Source: American Community Survey 5 Year Estimates, 2010-2014

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2016.

ANCESTRY AND NATIONAL ORIGIN

Naperville's foreign-born residents tend to be better-educated and have higher household incomes than native-born residents, but are also more likely to live in poverty.

It is illegal to refuse the right to housing based on ancestry or place of birth. As a suburb of a major metropolitan city, Naperville is home to a large foreign-born population. Census data on native and foreign-born populations reported that in 2014, 26,048 individuals (18.1% of the total population) in Naperville were foreign born. Of the foreign-born population, 44.5% were not U.S. citizens.

The most common place of birth among foreign-born residents was South Central Asia, accounting for 34.9% of the foreign-born population. Residents from Eastern Asia comprised 20.8% of the foreign-born population and European and Latin American residents comprised 16.3% and 14.5% of the foreign-born population, respectively. Most foreign-born residents in Naperville are not recent arrivals: 78.1% of the foreign-born residents in Naperville entered the United States before 2000.

Household sizes are significantly larger in households headed by foreign-born residents. The average household size for a native-born household is 2.72 persons, compared to an average of 3.32 persons among foreign-born households. This means that foreign-born households may often require larger houses in order to avoid overcrowding and other housing problems. Foreign-born householders are slightly less likely to own their

homes, with a homeowner rate of 71.3% compared to 76.9% for native-born householders.

Generally, Naperville's foreign-born population has a higher level of educational attainment than the native-born population, with 42.3% of the foreign-born population holding a graduate or professional degree, compared to 25.4% of the native-born population. Median earnings for foreign-born workers vary according to citizenship status. Naturalized citizens have a median household income of \$121,279, compared to \$93,588 for non-citizens and \$109,217 for native-born citizens.

Both foreign-born and native residents have employment rates of 65.4%, but foreign-born families are slightly more likely to experience poverty, with a poverty rate of 5.2% compared to 2.5% for native-born family households. For non-citizen family households, the poverty rate is 7.2%. Non-citizens are also more likely to work in lower-paying industries such as accommodation and food services. This indicates a sharp economic divide within the City's foreign-born population – while many own homes and have high incomes, some face poverty and unemployment.

Limited English Proficiency

Persons with limited English proficiency (LEP) are defined by the federal government as persons who have a limited ability to read, write, speak, or understand English. American Community Survey data reports on the non-English language spoken at home for the population five years and older. In 2014, the ACS reported 6.2% of the City's population spoke English less

than “very well.” For the foreign-born population living in Naperville, the LEP rate is 21.0% for citizens and 38.6% for non-citizens. The following chart lists the most commonly-spoken non-English languages in Naperville:

Figure 2, Limited English Proficiency, 2014

Language	Number	Percent of Total Population (Age 5+)
Chinese*	2,313	1.7%
Spanish	2,001	1.5%
Korean	516	0.4%
Urdu	462	0.3%
Gujarati	362	0.3%
Hindi	303	0.2%
Vietnamese	237	0.2%
Tagalog	188	0.1%
Polish	157	0.1%
Arabic	147	0.1%

Source: American Community Survey, 2014

*The source data do not break down Chinese dialects.

The most commonly-spoken language amongst the LEP population in Naperville is Chinese. Other languages commonly spoken by persons with LEP include Korean, Urdu, Gujarati, and Hindi. Of these languages, only Chinese and Spanish had over 1,000 speakers in Naperville, which triggers HUD’s “safe harbor” threshold for the entitlement area. Meeting this threshold means the City must provide translations of important documents associated with HUD program activities. This is discussed in greater detail in a later section of the AI.

AGE AND DISABILITY

In Naperville, 6.1% of the population has a disability. For elderly residents, the disability rate is 28.6%.

As defined by the Census Bureau, a disability is a long-lasting physical, mental, or emotional condition that can make it difficult for a person to engage in activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.

The Fair Housing Act prohibits discrimination based on physical, mental, or emotional handicap, provided “reasonable accommodation” can be made. This may include changes to address the needs of disabled persons, including adaptive structural (e.g., constructing an entrance ramp) or administrative changes (e.g., permitting the use of a service animal).

Across Naperville, 6.1% of the total civilian non-institutionalized population¹ age five and older reported a disability in 2014, amounting to 8,785 people. This includes 28.6% of City residents age 65 and older.

Illinois’ Fair Housing Act prohibits discrimination based on age, which is not a protected class in the Federal Fair Housing Act. As shown in Figure 3, persons aged 65 years and older, who comprise 9.5% of the non-institutionalized population, are more likely to have a disability and require accessibility modifications in order to

¹ The institutionalized population is persons residing in group quarters such as adult correctional facilities, juvenile facilities, skilled-nursing facilities, psychiatric hospitals and in-patient hospice facilities etc.

rent, purchase, or continue living in a home.

The most frequent type of disability reported among persons 18 to 64 and older was an ambulatory disability, meaning experiencing difficulty moving from place to place. Persons with ambulatory disabilities, which affect 2.9% of Naperville residents, often require housing with accessibility features.

Figure 3, Disability Status, 2014

	Total	Percent
Total Population	143,021	-
With a disability	8,785	6.1%
With a hearing difficulty	2,822	2.0%
With a vision difficulty	1,337	0.9%
With a cognitive difficulty	2,885	2.0%
With an ambulatory difficulty	4,178	2.9%
With a self-care difficulty	1,605	1.1%
With an independent living difficulty	2,952	2.1%
Population 18 to 64 Years	90,006	62.9%
With a disability	4,038	4.5%
With a hearing difficulty	1,071	1.2%
With a vision difficulty	604	0.7%
With a cognitive difficulty	1,515	1.7%
With an ambulatory difficulty	1,596	1.8%
With a self-care difficulty	510	0.6%
With an independent living difficulty	1,213	1.3%
Population 65 Years and Over	13,578	9.5%
With a disability	3,888	28.6%
With a hearing difficulty	1,622	11.9%
With a vision difficulty	667	4.9%
With a cognitive difficulty	795	5.9%
With an ambulatory difficulty	2,493	18.4%
With a self-care difficulty	948	7.0%
With an independent living difficulty	1,739	12.8%

Source: American Community Survey, 2014

*Note: Individuals may report more than one disability.

The second most common type of disability is an independent living disability: about 2.1% of City residents reported trouble with independent living in 2014. Persons with independent living disabilities may also require

specific accessible housing accommodations, as well as alternative housing opportunities such as group homes. There are 2,885 persons in the City with a cognitive disability, meaning persons who may have difficulty with various mental tasks. While persons with mental illness or intellectual impairments are not specifically identifiable, they often fall into this category of disability. Cognitive disabilities affect 2.0% of Naperville residents.

Many persons with disabilities, regardless of type, require access to adequate transportation options because their disability often makes it impossible or impractical to walk or drive as a means of transportation. Inadequate access to transportation can also restrict their housing options.

INCOME AND DISABILITY

A significant income gap exists between persons with disabilities and persons without disabilities.

In Naperville, persons with disabilities earn \$25,017 less than persons without disabilities. Similarly, the poverty rate for the population age 16 and over with a disability is 7.0 percentage points greater than the population without a disability.

FAMILIAL STATUS, MARITAL STATUS, AND SEXUAL ORIENTATION

There are 20,569 households with children in Naperville, accounting for 41% of all households.

The Census Bureau divides households into family and non-family households. Family households are married couples (with or without children), single-parent families, and other families comprised of related persons. Non-family households are either single persons living alone, or two or more nonrelated persons living together.

Title VIII of the Civil Rights Act of 1968 protects against gender discrimination in housing. Protection for families with children was added in the 1988 amendments to Title VIII. Except in limited circumstances involving elderly housing and owner-occupied buildings of one to four units, it is unlawful to refuse to rent or sell to families with children. The Illinois Human Rights Act also provides protection from housing discrimination based on marital status, sexual orientation, and pregnancy.

In addition to families with children, larger families may be at risk for housing discrimination on the basis of race and familial status. If there are policies or programs in place that restrict the number of persons that can live together in a single housing unit, and members of the protected classes need more bedrooms to accommodate their larger household, there is a fair housing concern because the restriction on the size of the unit will have a negative impact on members of the protected classes.

Figure 4, Household Composition, 2014

	Number	Percent
Family Households	38,146	76.7%
Married couples	33,334	67.0%
with children	17,792	35.8%
Single male householder	576	1.2%
Single female householder	2,201	4.4%
Nonfamily households	11,595	23.3%
Unmarried opposite sex partners	995	2.0%
Unmarried same sex partners	99	0.2%
Householder living alone	9,699	19.5%
65 years and over	3,134	6.3%
Other	802	1.6%
Total Households	49,741	-

Source: American Community Survey, 2014

*Note: A "family household" is defined as a household in which there is at least 1 person present who is related to the householder by birth, marriage or adoption.

In Naperville, most families with children are married-couple households. Single female-headed and single male-headed households comprise 4.4% and 1.2% of the total households in the City, respectively. Householders living alone account for 19.5% of total households, and there are over 1,000 unmarried partners living together in Naperville, including almost 100 same-sex partner households.

Non-White households tend to have larger families.

City-wide, 32.3% of households have four or more persons. Household sizes are larger amongst members of the protected classes. Households with foreign-born householders and non-White households are larger in household size than the general population. This means that members of the protected classes will often require larger units in order to avoid overcrowding.

Figure 5. Household Size, 2010

Race/Ethnicity	Average Household Size
White	2.7
Black	2.7
Asian	3.3
Hispanic	3.2

Source: U.S. Decennial Census, 2010

*Data for 2014 is unavailable

MILITARY STATUS

Veterans comprise 4.5% of the City's adult population.

In Illinois, it is illegal to discriminate based on military status or military discharge status. Currently, less than 0.1% of the City's population is employed in the Armed Forces. Detailed information about this population is unavailable, but the U.S. Census Bureau provides several statistics on veterans.

Of the civilian population ages 18 years and over, 4,804 individuals (4.5%) are veterans. Most veterans in Naperville served prior to the Gulf War. Primarily due to the older average age of the City's veteran population, veterans are significantly more likely to have a disability (22.3%) than non-veterans (7.0%), and may require reasonable accommodations in order to rent or purchase a home.

INCOME AND POVERTY

Residents of Naperville tend to have much higher incomes than most Americans...

Income is strongly related to housing choice, as household income is also one of several factors used to determine eligibility for a home mortgage loan or rental lease. Additionally, lack of income inherently reduces the amount of options a household has over where to live.

Furthermore, legal source of income is a protected class in Naperville. Lawful income includes wages, housing subsidies, child support payments, alimony, and similar types of legal compensation and cash assistance received from third parties. This means that lenders must consider all legal sources of income when calculating debt-to-income ratios, and landlords cannot deny an applicant based on insufficient income if they have not included all lawful income in their calculations.

The median household income in Naperville was \$109,512 in 2014. This is nearly twice the Illinois median of \$57,166 and more than twice the national median of \$53,482.

Naperville's affluence contributes to its low poverty rates. The federal poverty level in 2014 was defined as an annual income of \$23,850 for a family of four, or \$11,670 for an individual. The overall poverty rate in Naperville in 2014 was only 4.3% (6,143 individuals), much lower than the State average of 14.4% and the national average of 15.6%. This is an increase from Naperville's poverty rate of 2.2% in 2000 (2,809 individuals), mirroring state and national trends of increasing poverty.

Figure 6, Income and Poverty, 2014

Protected Class	Population		Income*	Poverty Rate
	Number	Percent		
City-wide	144,108	100.00%	\$109,512	4.3%
Race/Color/Ethnicity				
White	105,773	73.4%	\$111,720	3.4%
Black	6,507	4.5%	\$73,333	12.8%
Asian	24,213	16.8%	\$122,465	5.6%
Hispanic/Latino	9,076	6.3%	\$67,440	10.9%
National Origin				
Foreign-born, U.S. citizen	14,466	10.0%	\$121,279	4.3%
Foreign-born, non-U.S. citizen	11,582	8.0%	\$93,588	9.2%
Sex				
Male	71,224	49.4%	\$67,814	4.3%
Female	72,884	50.6%	\$31,337	4.2%
Age				
40 and over	69,276	48.1%	-	-
65 years and over	14,448	10.0%	\$58,319	4.4%
Disability				
No disability	135,323	93.9%	\$51,630	3.9%
With a disability	8,785	6.1%	\$26,613	10.9%
Families				
Married couple families with children	17,792	35.8%	\$149,167	2.2%
Single female-headed households with children	2,201	4.4%	\$44,661	20.9%
Military Status				
Veterans	4,804	3.3%	\$53,846*	3.5%

Source: American Community Survey, 2014

*Median individual income is used for the following categories: sex, disability, and veterans. Median household income is used for all other categories. City-wide median individual income is \$45,677. Blanks indicate unavailable data.

...however, there are significant income and poverty rate disparities for members of the protected classes.

As shown in *Figure 6*, White households, earn an average of \$111,720, while Black households earn \$73,333 and Hispanic/Latino households earn \$67,440. Asian households have the highest median income, at \$122,465. *Figure 6* provides more information about disparities among the protected classes, where data is available.

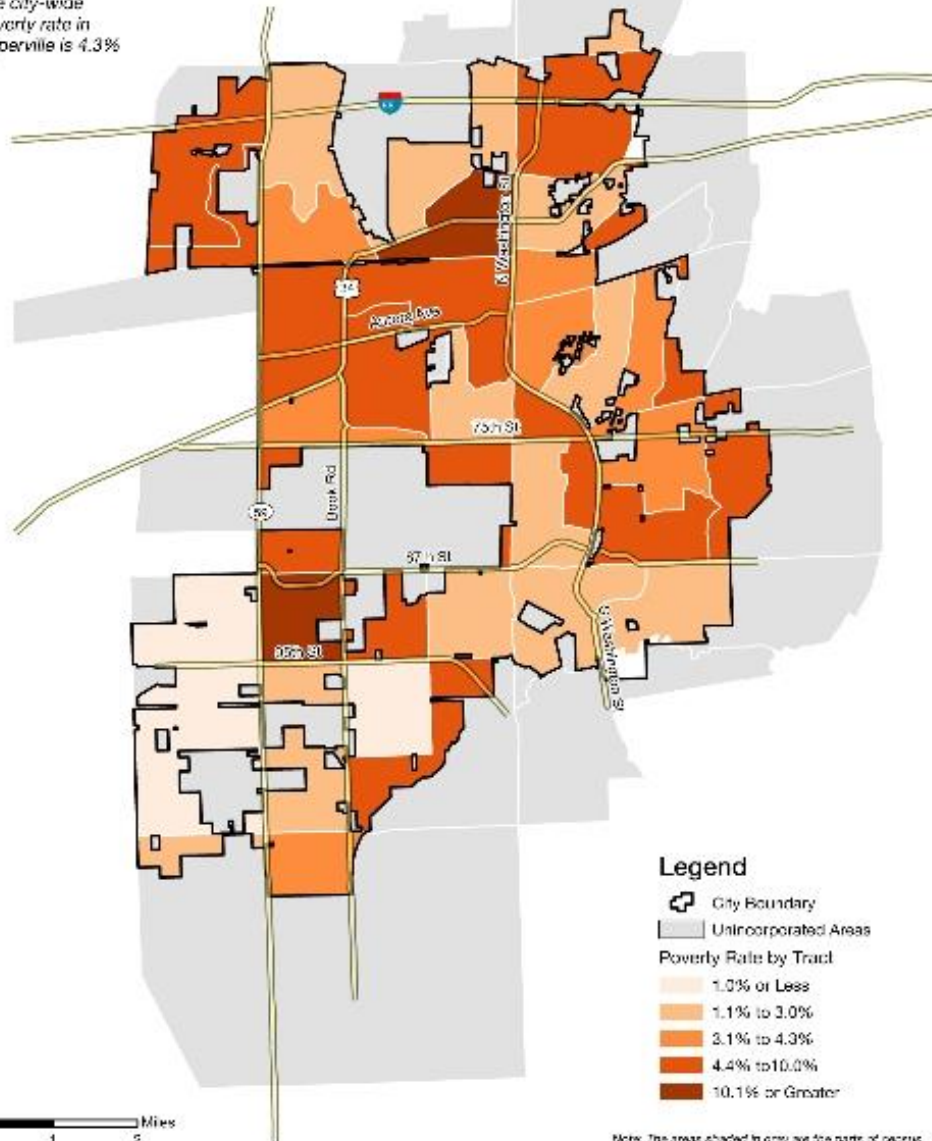
As shown in the map on the following page, poverty rates also vary geographically. The highest concentrations of poverty in Naperville are found near the intersection of U.S. 34/Ogden Avenue and North Washington Street and near the intersection of Route 59 and 95th Street.

Poverty Rate, 2014

City of Naperville AI



The city-wide poverty rate in Naperville is 4.3%



0 1 2 Miles
 Mapping: Mullin & Longgan Associates, 2016
 Source: American Community Survey 5 Year Estimates, 2010-2014

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 22, 2016.

As *Figure 6* shows, a significant income gap exists between persons with disabilities and persons without disabilities. In Naperville, persons with disabilities earn \$25,017 less than persons without disabilities. Similarly, the poverty rate for the population age 16 and over with a disability is 7 percentage points greater than the population without a disability (10.9% compared to 3.9%). These individuals are more likely to require accessibility modifications in order to rent, purchase, or continue living in a home.

Illinois' Fair Housing Act prohibits discrimination based on age for the population age 40 and over, who comprise nearly half of Naperville's total population. Specific income and poverty data for this population is unavailable. However, as shown in *Figure 6*, persons aged 65 years and older, who comprise 10.0% of Naperville's total population, are more likely to have a disability and require accessibility modifications in order to rent, purchase, or continue living in a home.

Income gaps are also evident among different types of families. Married-couple families with children have a median household income that is three times higher than the median household income of unmarried females with children. The poverty rate for unmarried females with children is 20.9%, compared to 2.2% for married-couple families with children.

Although men and women have similar poverty rates overall, men in Naperville have incomes twice as high as women. This may be the case because more men than women are employed in higher-paying jobs such as those in the finance, insurance, professional,

scientific, and technical services industries.

As detailed earlier in this section, a lack of income severely restricts housing choice. Members of the protected classes are disproportionately affected by this issue, as they are far more likely to have lower incomes or live in poverty.

There are over 1,000 seniors and 800 families with children in Naperville living in poverty

Figure 7, Poverty Characteristics, summarizes key socioeconomic information about the population in Naperville living below poverty level.

According to the data, there are 1,025 individuals, or 16.7% of the total population for whom poverty status is determined, who are over 60 and living below the federal poverty line. These individuals may need affordable senior housing options, and many likely require housing that is accessible. There are 952 individuals with disabilities – many of whom are also elderly – who may be in need of affordable, accessible housing.

The City is also home to 858 families with children living in poverty, who likely require affordable housing with two or more bedrooms that is located near community facilities such as parks and schools. Access to childcare and medical services is likely important for this population, as well.

Although the majority of the civilian labor force living below the federal poverty line is employed, many likely work part-time or in low-paying jobs. Providing wrap-around services such as childcare, adult education, and vocational training may improve this population's ability to achieve economic self-sufficiency.

Figure 7. Poverty Characteristics, 2014

	Number	Percent
Total	6,143	-
Age*		
Under 18 years	1,907	31.0%
18 to 64 years	3,607	58.7%
60 years and over	1,025	16.7%
65 years and over	629	10.2%
Disability Status		
Disabled	952	15.5%
Not Disabled	5,181	84.3%
Sex		
Male	3,089	50.3%
Female	3,054	49.7%
Race/Ethnicity		
White (not Hispanic or Latino)	2,792	45.5%
Black or African American	814	13.3%
Asian	1,336	21.7%
Hispanic or Latino origin (of any race)	972	15.8%
Living Arrangement (households)**		
Families with children	858	35.5%
Single female householder with children	404	16.7%
Educational Attainment		
Less than high school graduate	363	5.9%
High school graduate or higher	1,746	28.4%
Bachelor's degree or higher	1,413	23.0%
Employment Status		
Civilian labor force 16 years and over	2,170	35.3%
Unemployed	552	9.0%

Source: American Community Survey, 2014

*Poverty characteristics are only available for certain age groups.

**Living arrangement characteristics are calculated on a household basis.

HOUSING TYPE AND TENURE

Naperville's housing stock is primarily comprised of owner-occupied, single-family homes, but the proportion of renter-occupied units is growing at a faster rate.

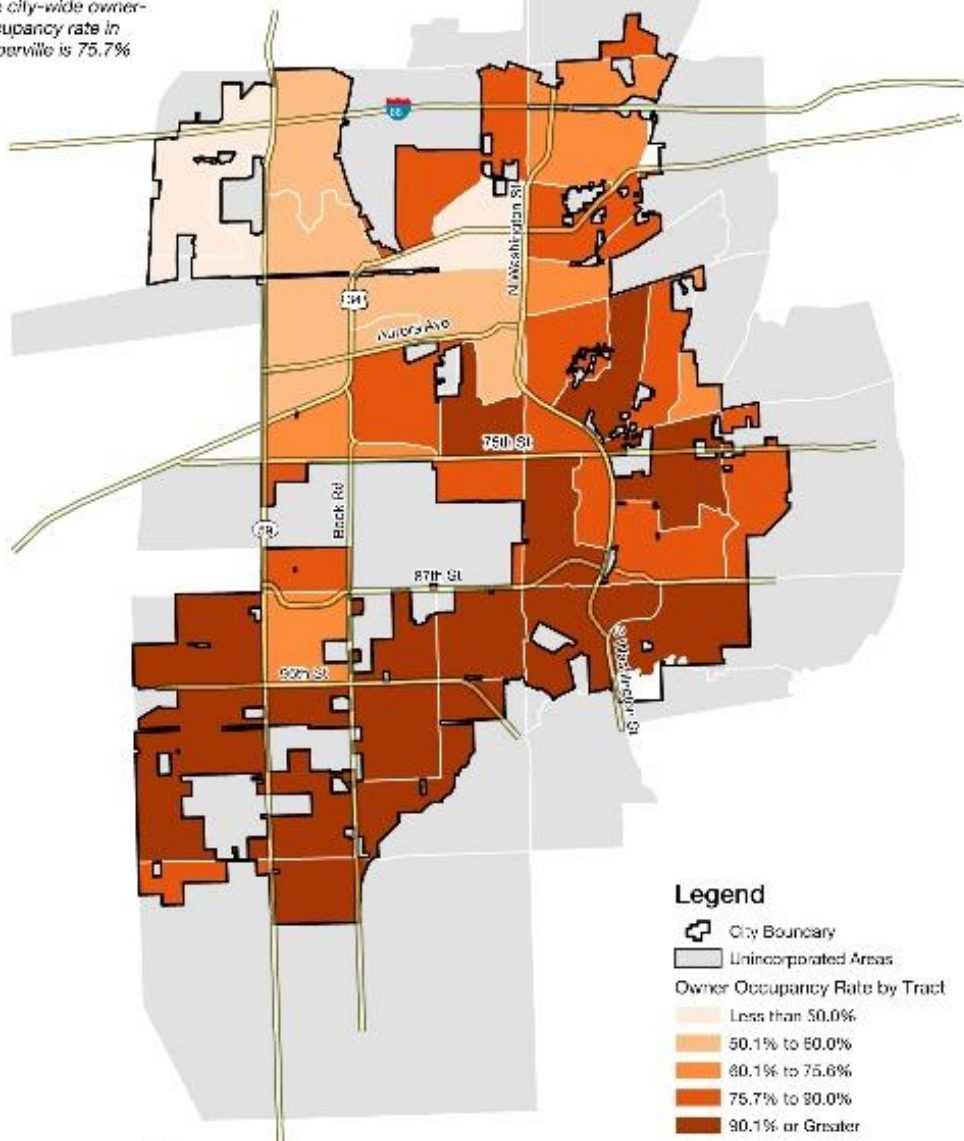
Between 2000 and 2014, the total number of occupied housing units in Naperville grew by 13.8%. Owner-occupied units comprise the vast majority of the City's housing stock at 75.7%, which is a slight decrease from 2000, when owner-occupied units accounted for 80.0% of the City's housing stock. As shown in the *Owner Occupancy* map, the southern portion of the City has the highest concentrations of single family homeowner units.

While the number of owner-occupied units only increased by 7.8%, the number of renter-occupied units in the City increased by 37.7% between 2000 and 2014. Most of the growth in rental housing is attributable to an increase in single-family renter units. These could be newly constructed units, or former owner-occupied units that are now being marketed as rentals. This indicates an increased demand for rental housing in Naperville, which may be caused by a shift in consumer preferences, high housing prices, or other factors.

Owner Occupancy, 2014

City of Naperville AI

The city-wide owner-occupancy rate in Naperville is 75.7%



0 1 2 Miles
 Mapping: Mulin & Longman Associates, 2016
 Source: American Community Survey 5-Year Estimates, 2010-2014

Note: The unincorporated areas are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 15, 2016.

Renter Occupancy, 2014

City of Naperville AI

The city-wide renter occupancy rate in Naperville is 24.3%

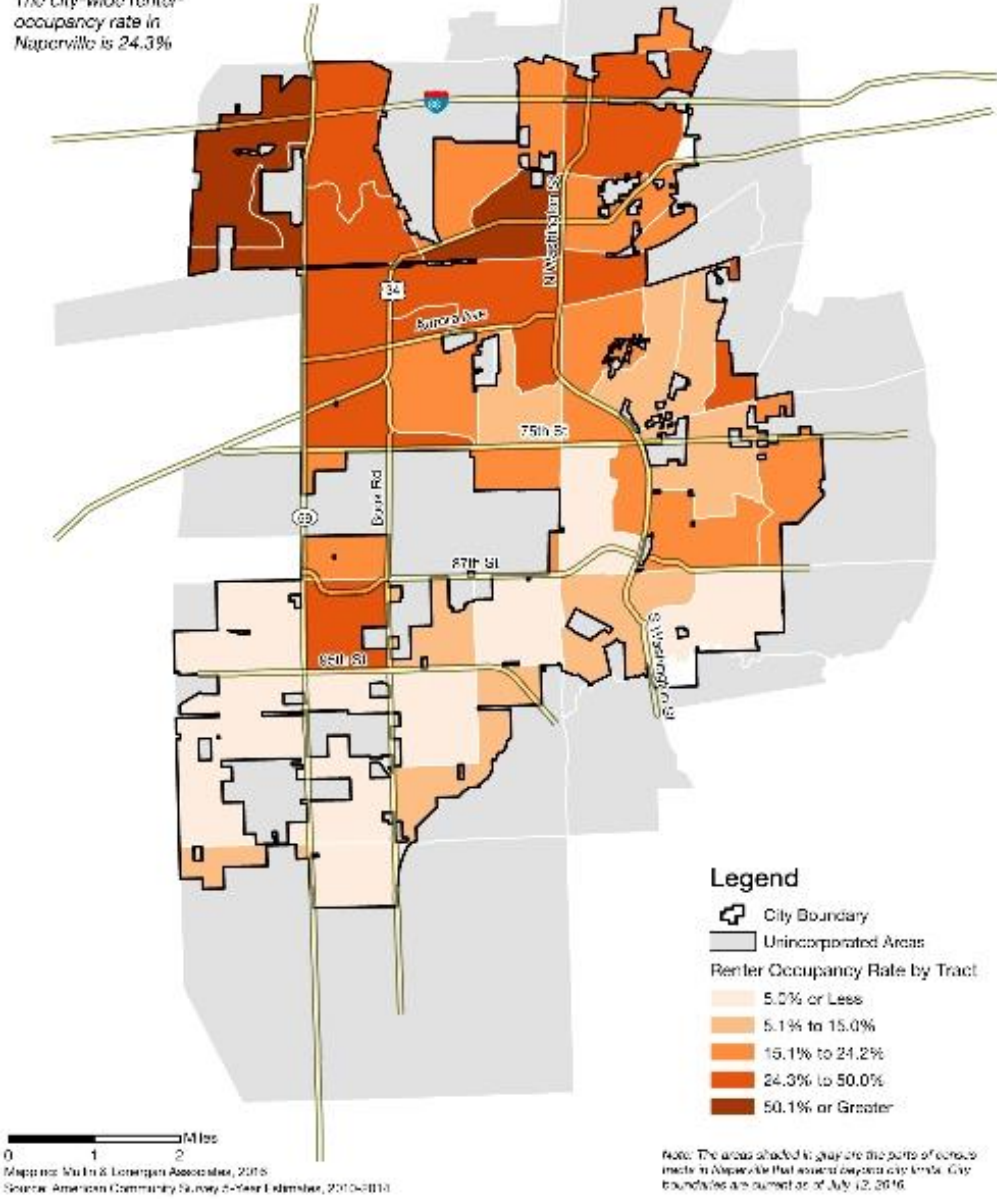


Figure 8, Housing Tenure, 2000- 2014

	2000		2014		Change
	Number	Percent	Number	Percent	
Total Occupied Units	43,715	-	49,741	-	13.8%
Owner-Occupied	34,952	80.0%	37,671	75.7%	7.8%
Single-Family	33,121	84.8%	35,311	93.7%	6.6%
Multi-Family	1,815	5.2%	2,334	6.2%	28.6%
Renter-Occupied	8,763	20.0%	12,070	24.3%	37.7%
Single-Family	1,145	13.1%	3,308	27.4%	188.9%
Multi-Family	7,618	86.9%	8,762	72.6%	15.0%

Source: Decennial Census 2000, ACS 2014

Black and Hispanic residents are much less likely to own their homes.

There are large differences in homeownership rates between racial and ethnic groups. Specifically, White and Asian households are much more likely to own their homes than individuals of other races. In Naperville, 79.1% of White residents and 77.2% of Asians are homeowners, compared to 32.1% of Black residents and 42.4% of Hispanics.

Figure 9, Housing Tenure and Race, 2014

	Owner		Renter	
	Number	Percent	Number	Percent
White	30,778	79.1%	8,152	20.9%
Black	764	32.1%	1,614	67.9%
Asian	5,489	77.2%	1,624	22.8%
Hispanic	988	42.4%	1,344	57.6%

Source: American Community Survey, 2014

Rental units are heavily concentrated in the northeast and northwest corners of the City and near the intersection of U.S. 34/Ogden Avenue and North Washington Street, areas with larger Black and Hispanic populations. Although rental units represent less than a quarter of the City’s housing stock, over half of the units in these geographic areas are renter-occupied. These areas are also home to the highest concentrations of multi-family

rental units. There are few multi-family rental units in the southern portion of the City where single family development is predominant.

HOUSING COST

Renters are more likely to be cost-burdened than homeowners.

High housing costs are not a direct form of housing discrimination, but a lack of affordable housing does constrain housing choice. Residents may be limited to a smaller selection of communities or neighborhoods because of a lack of affordable housing in other areas. When the cost of quality housing units is high, low-income and marginalized segments of the population are disproportionately more likely to become cost-burdened.

Cost burden is defined by HUD as paying more than 30% of one’s income towards housing. Cost-burdened families may have difficulty paying for other necessities, such as food, clothing, transportation, and medical care. This occurs throughout the country for renters and homeowners alike, but is more problematic in areas where housing costs are high.

Between 2000 and 2014, the inflation-adjusted median housing value in Naperville increased by 4.6%, while the median gross rent (includes estimated utility costs) decreased by 3.7%.²

² Decreases in housing costs are unusual, especially in strong housing markets like Naperville. The slight decrease in the inflation-adjusted median gross rent is most likely a reflection of Naperville’s small supply of rental units and the 37.7% increase in units between 2000 and 2014. Any new affordable or moderately-priced units coming online would have had a large effect on the median rent figure.

During the same period, the inflation-adjusted median household income decreased by 13.2%. This means that the growth in household incomes has not kept up with housing costs, especially for owner-occupied units. As households must spend more on housing with less real income, housing costs have become relatively more expensive between 2000 and 2014. The difference in housing values compared to rents means that owning a home will likely be significantly more expensive, despite the social and economic benefits homeownership brings to communities.

In Naperville, rental housing was more affordable than owner-occupied housing on a per-month basis. The median gross rent in Naperville was \$1,290 compared to median monthly owner costs of \$2,143. However, a larger proportion of renter-occupied households (36.9%) are cost burdened compared to owner-occupied households (25.5%). A total of 9,635 homeowners and 4,310 renters in Naperville were cost-burdened in 2013.³

Homeowners tend to have higher household incomes than renters: the median renter income in Naperville was \$59,255 compared to \$127,468 for owners. The maximum monthly gross rent a household would be able to afford at the median renter income was \$1,481, which was slightly above the City's actual median gross rent of \$1,290. This indicates that the median renter income is enough to afford the median gross rent in Naperville. However, the 5,248 renter households

in Naperville earning less than \$50,000 (59.9% of all renter households) are priced out of units renting for the \$1,290 median rent.

Cost burdened renters are clustered in the neighborhoods north of Downtown, especially near the intersection of U.S. 34/Ogden Avenue and North Washington Street. While median gross rents are lower in these areas, incomes are lower and there are higher rates of renter occupancy.

Most of the units in Naperville that rented for \$1,000 or less—the rent category stakeholders used to define as “affordable” —are located in the neighborhoods near Downtown and in the northwest section of the City. As detailed later in this report, while the units near Downtown have good access to opportunities such as jobs and health services, the units in the northwest are located in racially concentrated areas of poverty, and tend to have lower access to opportunities. Additionally, although these areas are some of the most affordable areas in the City, they have higher rates of renter cost burden. This is likely due to the low median household incomes in these tracts.

Cost burden for owners is more dispersed throughout the City, but there are higher concentrations in the neighborhoods south of 87th Street where housing values tend to be higher than the median home value of \$377,900. In addition to these areas, the neighborhoods east of Downtown and near the Cress Creek Country Club had some of the highest home values in the City.

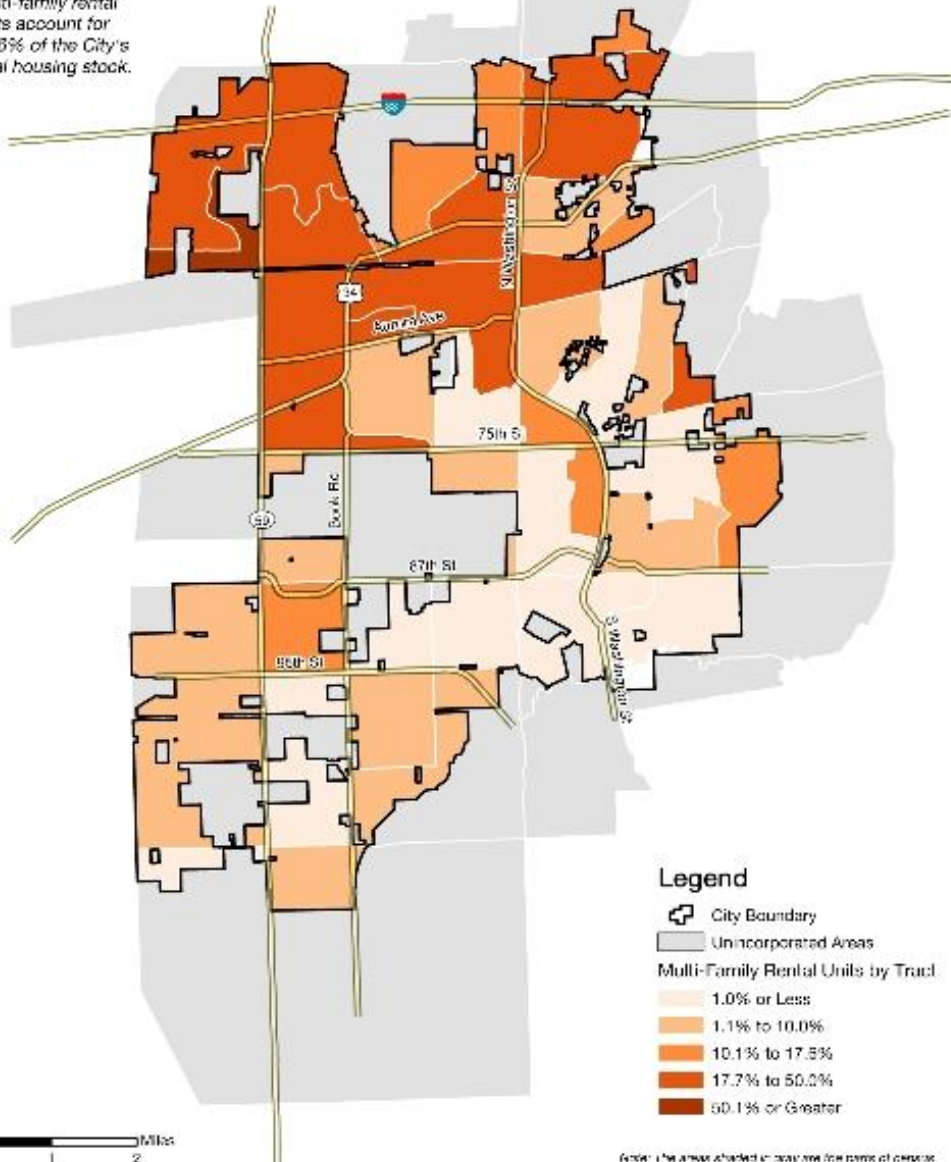
³ Cost-burden figures are drawn from the latest update of HUD's Comprehensive Housing Affordability Strategy (CHAS) dataset (2013).

Multi-Family Rental Units, 2014

City of Naperville AI



Multi-family rental units account for 17.6% of the City's total housing stock.



0 1 2 Miles
 Mapping: Muth & Lohrigan Associates, 2016
 Source: American Community Survey 5 Year Estimates, 2010-2014

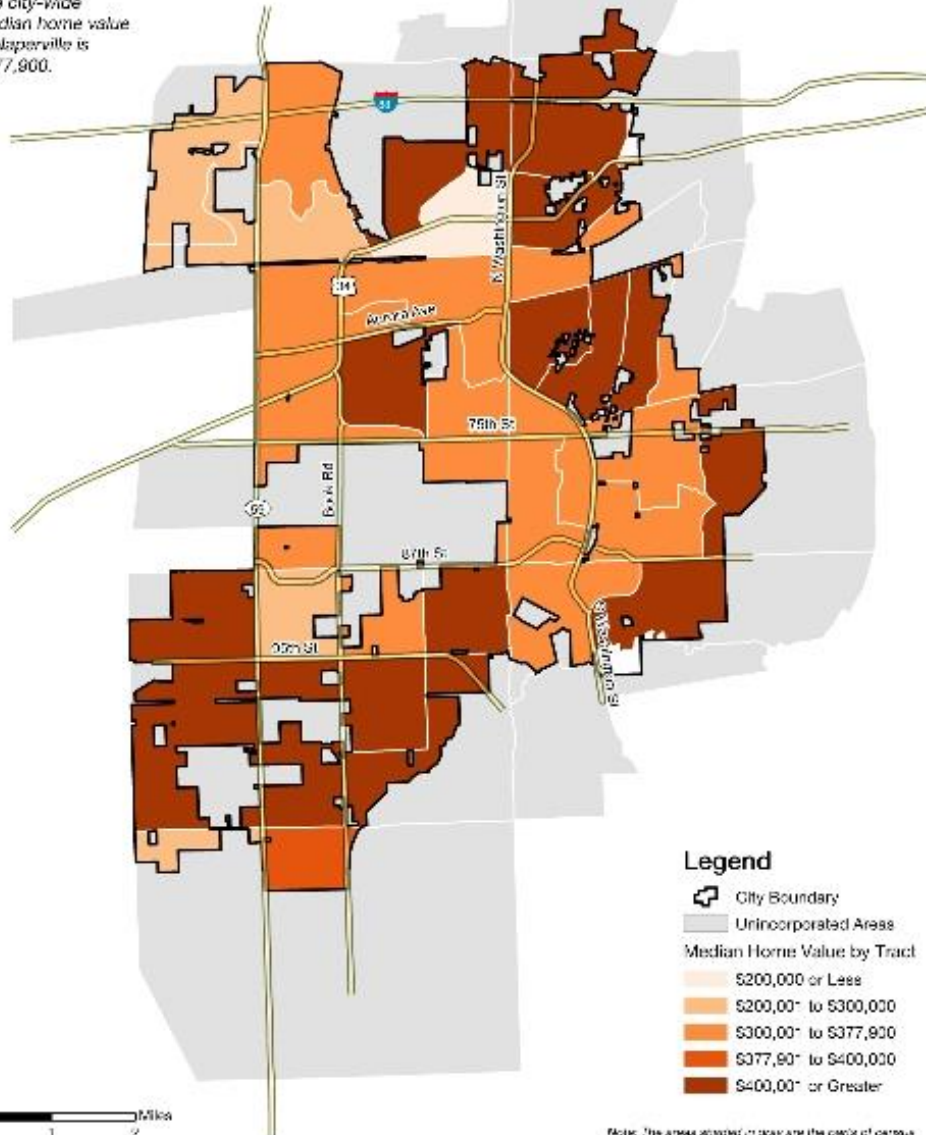
Note: The areas shaded in gray are the names of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 10, 2016.

Housing Values, 2014

City of Naperville AI



The city-wide median home value in Naperville is \$377,900.



0 1 2 Miles
 Mapping: Muth & Associates, GIS
 Source: American Community Survey 5-Year Estimates, 2010-2014

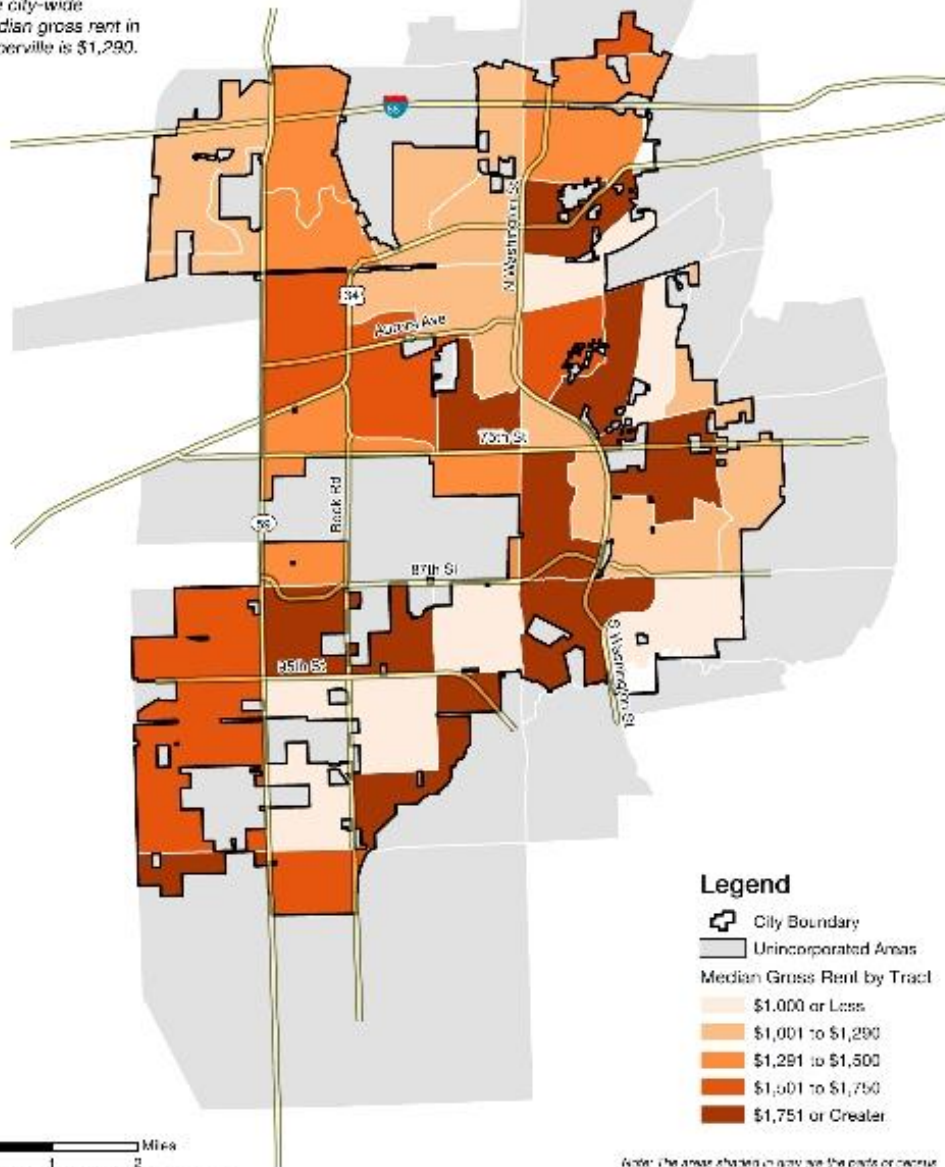
Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are shown as of July 12, 2010.

Median Rent, 2014

City of Naperville AI



The city-wide median gross rent in Naperville is \$1,290.



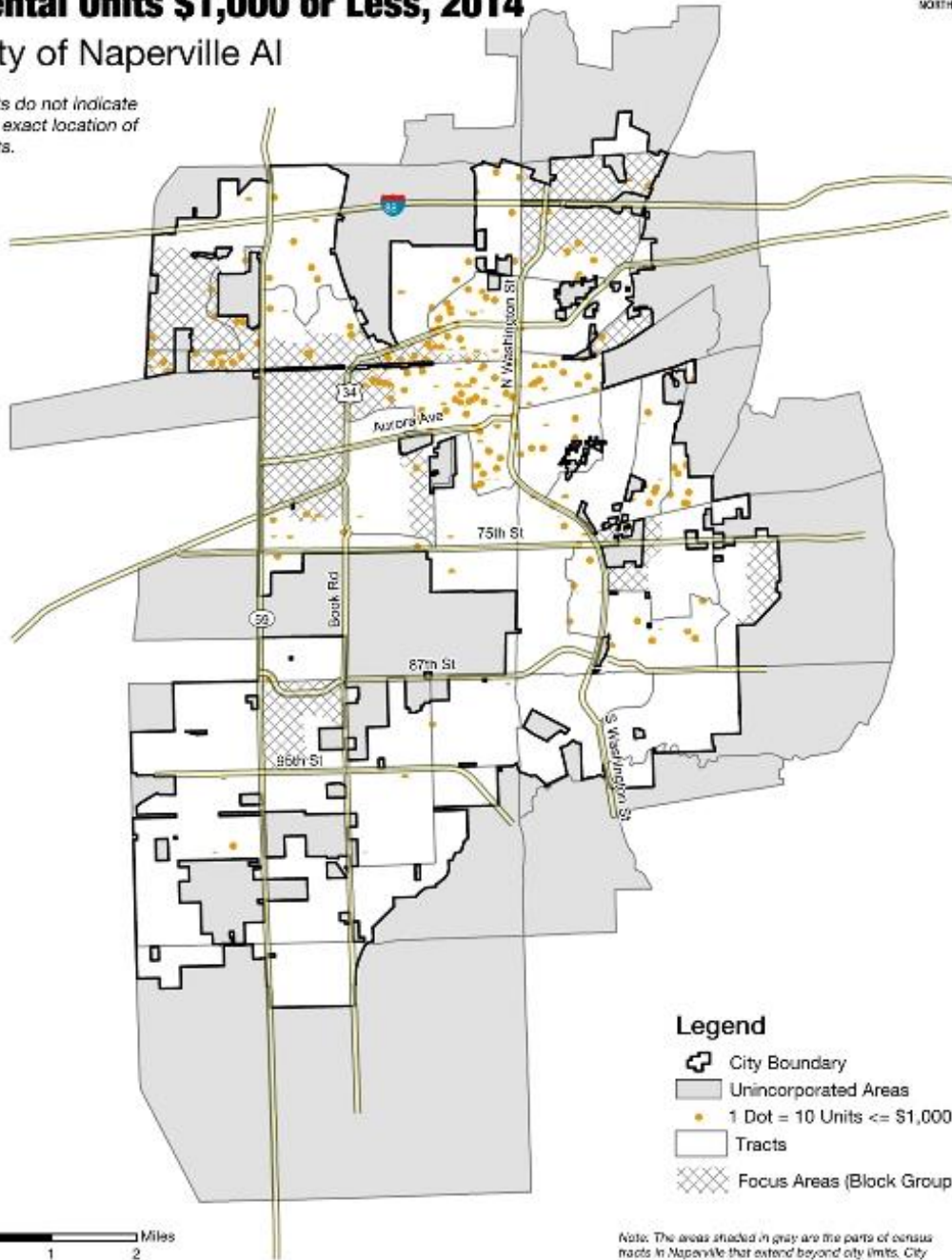
0 1 2 Miles
 Mapping, Mullin & Lonergan Associates, 2016
 Source: American Community Survey 5-Year Estimates, 2010-2014

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 19, 2016.

Rental Units \$1,000 or Less, 2014

City of Naperville AI

Dots do not indicate the exact location of units.



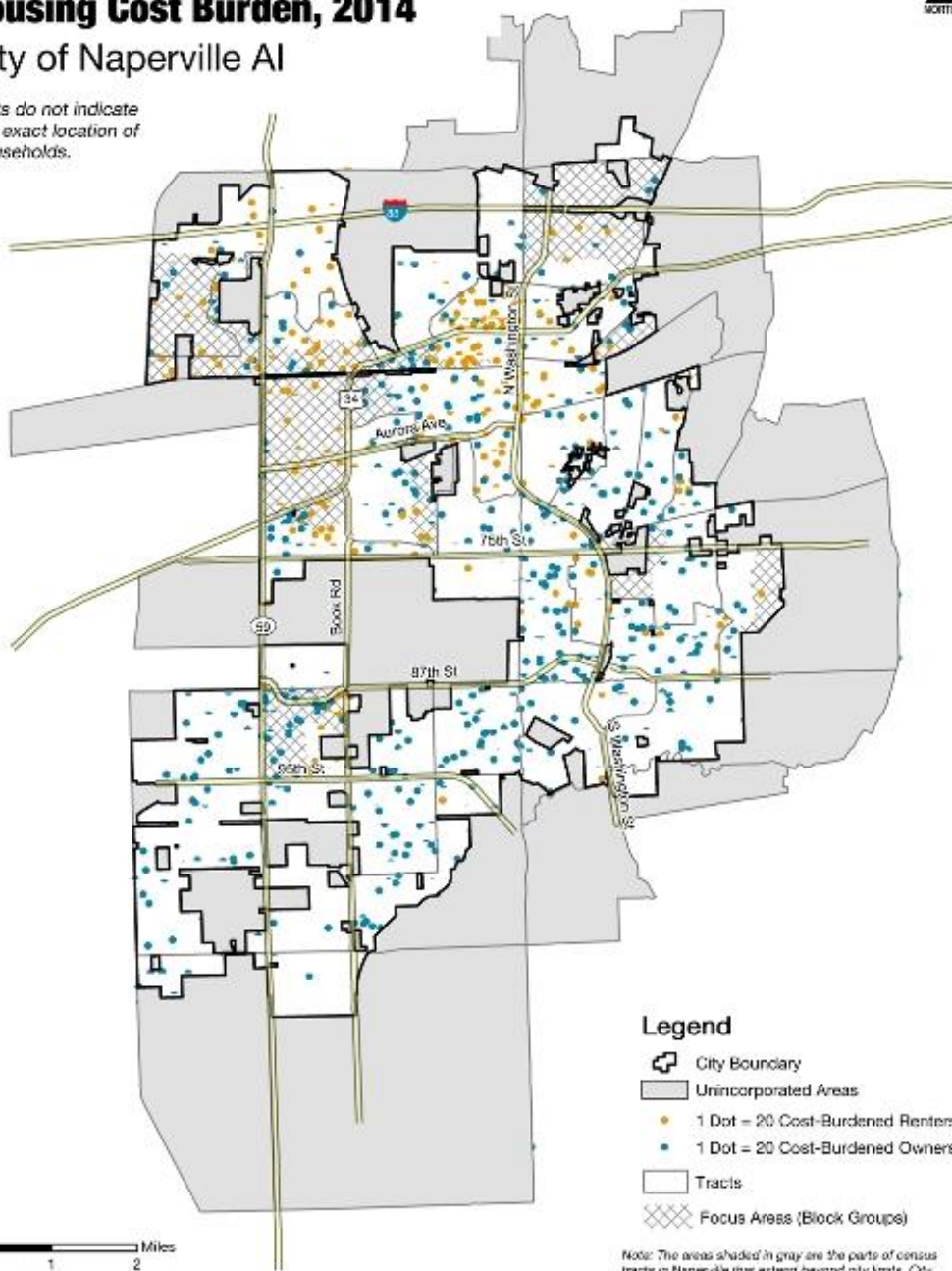
0 1 2 Miles
 Mapping: Mullin & Lonergan Associates, 2016
 Source: American Community Survey 5-Year Estimates, 2010-2014

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2018. Focus Areas are defined in the "General Issues" section.

Housing Cost Burden, 2014

City of Naperville AI

Dots do not indicate the exact location of households.



0 1 2 Miles
 Mapping: Mullin & Lonergan Associates, 2016
 Source: American Community Survey 5-Year Estimates, 2010-2014

Legend

- City Boundary
- Unincorporated Areas
- 1 Dot = 20 Cost-Burdened Renters
- 1 Dot = 20 Cost-Burdened Owners
- Tracts
- Focus Areas (Block Groups)

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2016. Focus Areas are defined in the "General Issues" section.

HOUSING UNIT SIZE

Current rental housing supply cannot meet the needs of large families.

Larger households can face impediments to fair housing choice, whether or not children are present. If a community has policies or programs in place that restrict the number of persons that can live together in a single housing unit, and members of the protected classes need more bedrooms to accommodate their larger household, the restriction on the size of the unit will have an unbalanced negative impact on members of the protected classes.

Renter-occupied housing stock tends to have fewer bedrooms. To adequately house larger families, a sufficient supply of larger dwelling units consisting of three or more bedrooms is necessary. In Naperville, there are limited options for rental units large enough to accommodate large families. Of the 12,070 rental units available in Naperville in 2014, only 21.6% had three or more bedrooms, compared to 85.9% of the owner housing stock. As detailed in the Familial Status section of the report, members of the protected classes are more likely to live in large households and require larger housing units in order to avoid overcrowding.

Figure 10, Housing Tenure and Unit Size, 2014

	Households	3+ Bedrooms	
		Number	Percent
Renter	12,070	2,605	21.6%
Owner	37,671	32,367	85.9%

Source: American Community Survey, 2014

Large families that require large units face tougher competition and may not be able to choose units strictly based on size but merely on availability and/or affordability. This can result in cost

burden, overcrowding, or other housing issues for large families. This may also negatively impact smaller households who want to become homeowners in Naperville, as they may find fewer appropriately-sized, affordable options available. Providing affordable housing for all Naperville households can be accomplished by supplying a variety of unit sizes according to market demand.

HOUSING AGE

Naperville's housing stock is generally newer than the nation's, and is much newer than the state's

Older housing typically requires more and more complex continual maintenance. In the absence of routine maintenance, older housing can quickly become substandard. A common age threshold used to signal a potential deficiency is around 50 years or more.

Overall, Naperville's housing stock is younger than the nation's, with a median year of construction of 1987 compared to 1975 for the United States and 1967 statewide. The City's housing stock is, on average, newer than DuPage County's (median year built: 1977) but slightly older than Will County's (median year built: 1990).

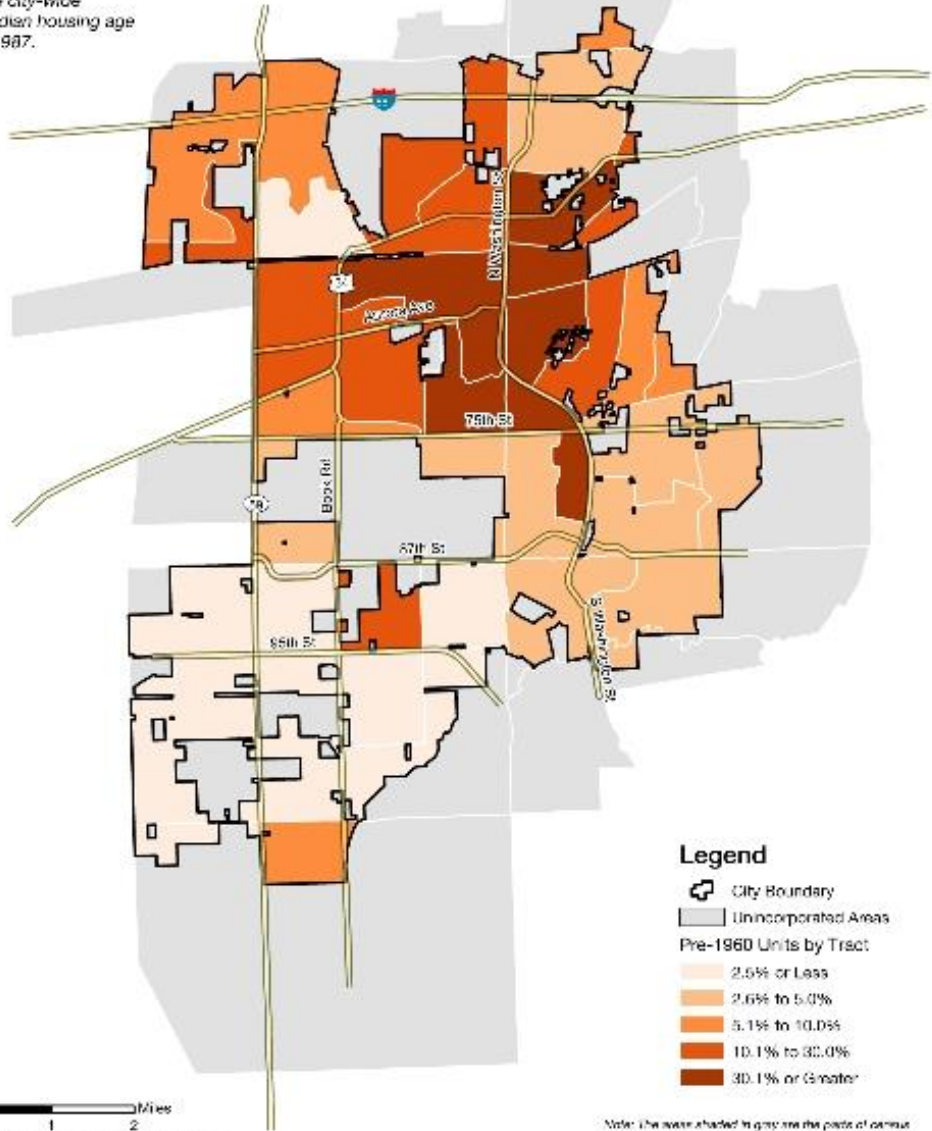
While the median age of housing is relatively young, the area of the City south and northeast of Downtown has large inventories of pre-1960 housing stock. Some of these structures have historical and/or architectural significance, and many may be well maintained as indicated by the high housing values. However, some of these older dwellings could be substandard or contain lead paint and have unique rehabilitation needs.

Housing Age

City of Naperville AI



The city-wide median housing age is 1987.



0 1 2 Miles
 Mapping: M.U.R.A. Geographic Associates, 2010
 Source: American Community Survey 5-Year Estimates, 2010-2014

- Legend**
- City Boundary
 - Unincorporated Areas
 - Pre-1960 Units by Tract
 - 2.5% or Less
 - 2.6% to 5.0%
 - 5.1% to 10.0%
 - 10.1% to 30.0%
 - 30.1% or Greater

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2016.

General Issues

INTRODUCTION

This section of the AI uses the data described in the demographic and housing summary as a basis for a more thorough examination of fair housing issues in Naperville, including:

- Patterns of segregation and integration in the jurisdiction and region
- Racially or ethnically concentrated areas of poverty, referred to in this document as Focus Areas (see definition on page 51)
- Disparities in access to opportunity
- Disproportionate housing needs

In addition to data from the U.S. Census Bureau, this section also uses data from HUD's Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T). HUD pulls data from several other national sources on factors such as school proficiency, environmental quality, transit access, public housing inventory, and the characteristics of public housing residents to generate the information available in the AFFH-T. Most data from the AFFH-T is based on the 2010 decennial census rather than the ACS. Data documentation from the AFFH-T is attached in the appendix.

KEY CONCLUSIONS

The following items are key conclusions drawn from the General Issues section:

- The level of segregation in Naperville has increased since 1990.
- The northwestern corner of the City has a significant concentration of Focus Areas
- Minorities experience housing problems at disproportionately higher rates, the majority of which relate to cost burden.
- Minorities are more likely to be renters, paying more than 30% of their income on housing costs and living in the northern neighborhoods of Naperville, where most rental housing is located.

SEGREGATION / INTEGRATION

Background

Residential segregation is a measure of the degree of separation of racial or ethnic groups living in a neighborhood or community. Latent factors, such as attitudes, or overt factors, such as real estate practices, can limit the range of housing opportunities for minorities. A lack of racial or ethnic integration in a community creates other problems, such as reinforcing prejudicial attitudes and behaviors, narrowing opportunities for interaction, and reducing the degree to which community life is considered harmonious. Areas of extreme minority isolation often experience poverty and social problems at rates that are disproportionately high. Racial segregation has been linked to diminished employment prospects, poor educational attainment, increased infant and adult mortality rates and increased homicide rates.

Segregation can be measured using a statistical tool called the dissimilarity index.⁴ This index measures the degree of separation between racial or ethnic groups living in a community. An extreme example of segregation would be an exactly equivalent split between predominantly high-income, White, suburban communities and low-income, minority, inner-city neighborhoods. For this analysis, racial statistics for each census tract in the City were compared to citywide numbers. Since White residents are the majority in Naperville, all other racial and ethnic groups were

⁴ For a given geographic area, the index is equal to $[(a/A) \cdot (a/t)]$, where "a" is the group population of a sub-region, "t" is the population of all groups in the sub-region, and "A" is the total group population in the larger region.

compared to the White population as a baseline.

The index of dissimilarity allows for comparisons between subpopulations (i.e. different races/ethnicities), indicating how much one group is spatially separated from another within a community. In other words, it measures the evenness with which two groups are distributed across the neighborhoods that make up a community. The index of dissimilarity is rated on a scale from 0 to 100, in which a score of 0 corresponds to perfect integration and a score of 100 represents total segregation. According to HUD, a score under 40 is considered low, between 40 and 54 is moderate, and above 60 is high.

Figure 11, Racial/Ethnic Dissimilarity Trends

	1990	2000	2010
Non-White/White	14.04	15.92	28.82
Black/White	19.96	27.79	44.49
Hispanic/White	13.30	20.23	28.56
Asian or Pacific Islander/White	17.26	18.06	30.15

Source: U.S. Decennial Census, 1990, 2000, 2010; HUD AFFH-T

The level of segregation in Naperville has increased since 1990.

Different racial and ethnic groups in Naperville experience varying levels of segregation. While Asian, Hispanic, and White residents have low levels of segregation, Black residents experience moderate segregation from other racial and ethnic groups.

Segregation has increased for all groups since 1990, with the greatest increases occurring between 2000 and 2010. This may be a result of the increase in the non-White population – as more minorities move to Naperville, they may be choosing neighborhoods

where other members of their racial and/or ethnic groups live.

RACIALLY OR ETHNICALLY CONCENTRATED AREAS OF POVERTY

Background

Although ethnicity and race as described by the US Census are not the same, this study uses rates of both non-White and Hispanic populations, henceforth referred to collectively as minorities, to analyze racial and ethnic concentrations of poverty, or R/ECAPs.

HUD defines R/ECAPs as areas where the total minority population is 50% or more and the poverty rate is 40% or three or more times the poverty rate for the metropolitan/micropolitan area (about 27% for the Chicago-Naperville-Elgin MSA), whichever threshold is lower. According to these definitions, Naperville has no R/ECAPs, due to the City's low poverty rate (4.3%) and the presence of a large number of high income Asian households, who represent over half of the City's minority population.

The purpose of identifying R/ECAPs is to learn where higher rates of low income minority residents live in a community, and then determine if there are any local policies that restrict their housing choice to only these areas. The AI planning process is meant to guide a community in identifying initiatives to expand housing choice into higher opportunity neighborhoods for these lower income minority residents and other members of the protected classes.

In the absence of R/ECAPs based on HUD's thresholds, a jurisdiction is required to establish its own baseline thresholds to determine locations where concentrations of low income persons and minorities live. The way in which a community defines its R/ECAPs must be based on a review of the data to determine what thresholds, or baselines, are reasonable for its particular demographics.

Naperville does not have any R/ECAPs based on HUD's definition and has defined its own reasonable thresholds to enable the analysis of racial, ethnic, and poverty concentrations within its jurisdiction.

This AI uses the city-wide poverty rate as the minimum poverty threshold and the city-wide minority rate as the minimum minority threshold to identify areas with above-average poverty and minority concentrations, henceforth referred to as "Focus Areas." Additionally, while HUD's standard definition is based on the census tract geography, this study uses block groups to more accurately pinpoint where racial and ethnic concentrated areas of poverty are located. This means that a Focus Area is defined as a block group with a minority population greater than 30.4% and a poverty rate greater than 4.3%.

R/ECAPs & Focus Areas

R/ECAPs are defined by HUD as areas where the total minority population is 50% or more and the poverty rate is 40% or more. Based on these definitions, no R/ECAPs exist in Naperville. The City defined its own reasonable areas of concentrations of lower income minority residents as Focus Areas. Focus Areas are census block groups located within Naperville with a minority population greater than the citywide rate of 30.4% and a poverty rate greater than the citywide rate of 4.3%.

There are sixteen block groups that meet the Focus Area thresholds of being greater than 30.4% minority and having a poverty rate higher than 4.3%.

As shown in the map on the following page, these Focus Areas are spread throughout Naperville, but the northwestern corner has a larger number compared to the rest of the City. This area also has a larger supply of multi-family buildings than the rest of the City, and a higher concentration of Black and Hispanic residents who have much lower median household incomes, higher poverty rates and higher rates of cost burden than other racial and ethnic groups in Naperville.

The northwestern corner of the City has a significant concentration of Focus Areas
In general, the northwest part of the City has higher concentrations of minorities living in poverty. There are also high concentrations near the intersection of Route 59 and 95th Street. The highest concentrations of poverty are located in the neighborhoods west of the intersection of U.S. 34/Ogden Avenue and North Washington Street. As the following maps show, the areas with the highest minority rates do not always align with the areas with the highest poverty concentrations. This is likely because of the high median household income of Asian residents, who comprise the majority of Naperville's minority population.

Generally, the racial and ethnic composition of Focus Areas is diverse, with no significant concentrations of a particular minority. Notable discrepancies from city-wide characteristics are:

- BG 2, 8803.07 near the intersection of Route 59 and 95th Street, which has a 21.6% Black population, is much higher than the city-wide rate of 4.5%
- BG 4, CT 8465.04, near the intersection of U.S. 34/Ogden Avenue and the Metra line, which has a Hispanic population of 32.4% compared to the city-wide rate of 6.3%
- BG 2, CT 8463.04 on the eastern border, which has an Asian population of 45.3%, compared to the city-wide rate of 16.8%

These three areas are illustrated on the following page.

FOCUS AREAS

Key



-  City Boundary
-  Focus Areas (Block Groups)



Figure 12, Focus Areas, 2014

Geography	Total Population	Poverty Rate	White		Black		Asian		Other		Hispanic		Hispanic - Wh.*		Percent Minority
			#	%	#	%	#	%	#	%	#	%	#	%	
BG 2, CT 8464.04, DuPage County	1,578	27.6%	1,017	64.4%	97	6.1%	191	12.1%	273	17.3%	242	15.3%	242	15.3%	50.9%
BG 2, CT 8803.07, Will County	1,853	22.9%	1,074	58.0%	401	21.6%	307	16.6%	71	3.8%	339	18.3%	288	15.5%	57.6%
BG 3, CT 8462.03, DuPage County	1,084	14.7%	784	72.3%	94	8.7%	164	15.1%	42	3.9%	50	4.6%	42	3.9%	31.5%
BG 4, CT 8465.04, DuPage County	2,034	14.1%	1,369	67.3%	263	13.9%	264	13.0%	118	5.8%	660	32.4%	660	32.4%	65.1%
BG 2, CT 8461.04, DuPage County	2,991	11.8%	1,837	61.4%	45	1.5%	794	26.5%	315	10.5%	620	20.7%	363	12.1%	50.7%
BG 1, CT 8461.06, DuPage County	2,498	11.8%	1,626	65.1%	54	2.2%	771	30.9%	47	1.9%	235	9.4%	235	9.4%	44.3%
BG 4, CT 8465.21, DuPage County	2,062	9.9%	1,335	64.7%	89	4.3%	451	21.9%	187	9.1%	217	10.5%	163	7.9%	43.2%
BG 2, CT 8465.19, DuPage County	1,946	9.1%	879	45.2%	153	7.9%	765	39.3%	149	7.7%	130	6.7%	64	3.3%	58.1%
BG 2, CT 8463.04, DuPage County	1,790	8.9%	890	49.7%	58	3.2%	811	45.3%	31	1.7%	38	2.1%	17	0.9%	51.2%
BG 1, CT 8463.04, DuPage County	1,027	7.9%	614	59.8%	96	9.3%	272	26.5%	45	4.4%	-	0.0%	-	0.0%	40.2%
BG 1, CT 8465.22, DuPage County	1,980	6.9%	1,129	57.0%	148	7.5%	588	29.7%	115	5.8%	137	6.9%	137	6.9%	49.9%
BG 1, CT 8464.10, DuPage County	2,732	6.3%	1,527	55.9%	89	3.3%	920	33.7%	196	7.2%	783	28.7%	663	24.3%	68.4%
BG 1, CT 8464.11, DuPage County	2,671	5.9%	1,619	60.6%	312	11.7%	477	17.9%	263	9.8%	398	14.9%	348	13.0%	52.4%
BG 2, CT 8464.10, DuPage County	2,368	5.5%	1,384	58.4%	330	13.9%	276	11.7%	378	16.0%	194	8.2%	153	6.5%	48.0%
BG 3, CT 8803.07, Will County	2,394	5.0%	1,253	52.3%	375	15.7%	701	29.3%	65	2.7%	-	0.0%	-	0.0%	47.7%
BG 3, CT 8464.12, DuPage County	2,131	5.0%	1,475	69.2%	234	11.0%	398	18.7%	24	1.1%	153	7.2%	143	6.7%	37.5%

Source: American Community Survey 5-Year Estimates, 2014

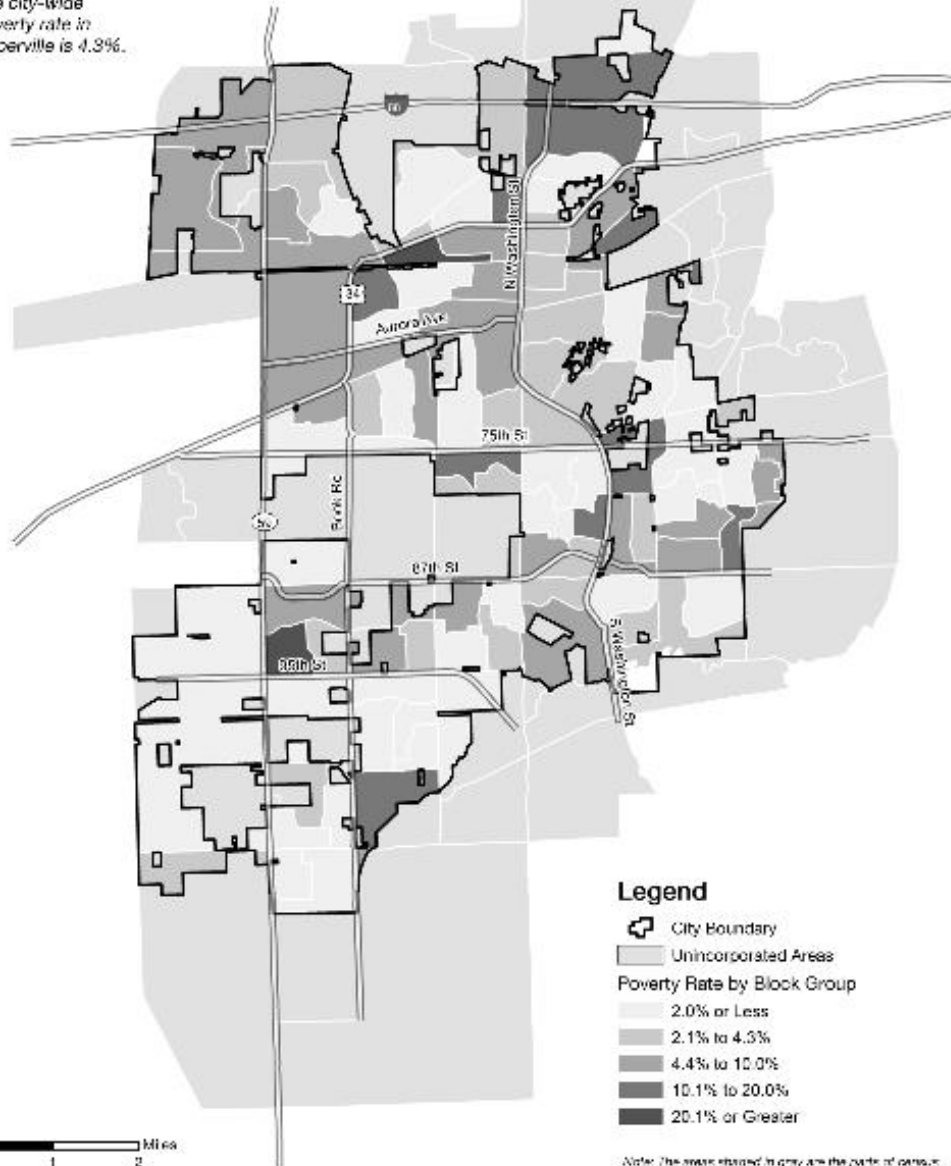
* Refers to White residents of Hispanic/Latino ethnicity. This number is added to the number of Non-White individuals to determine the total minority population.

Poverty Rate, 2014

City of Naperville AI



The city-wide poverty rate in Naperville is 4.3%.



0 1 2 Miles
 Mapping: Mullin & Longgan Associates, 2016
 Source: American Community Survey 5-Year Estimates, 2010-2014

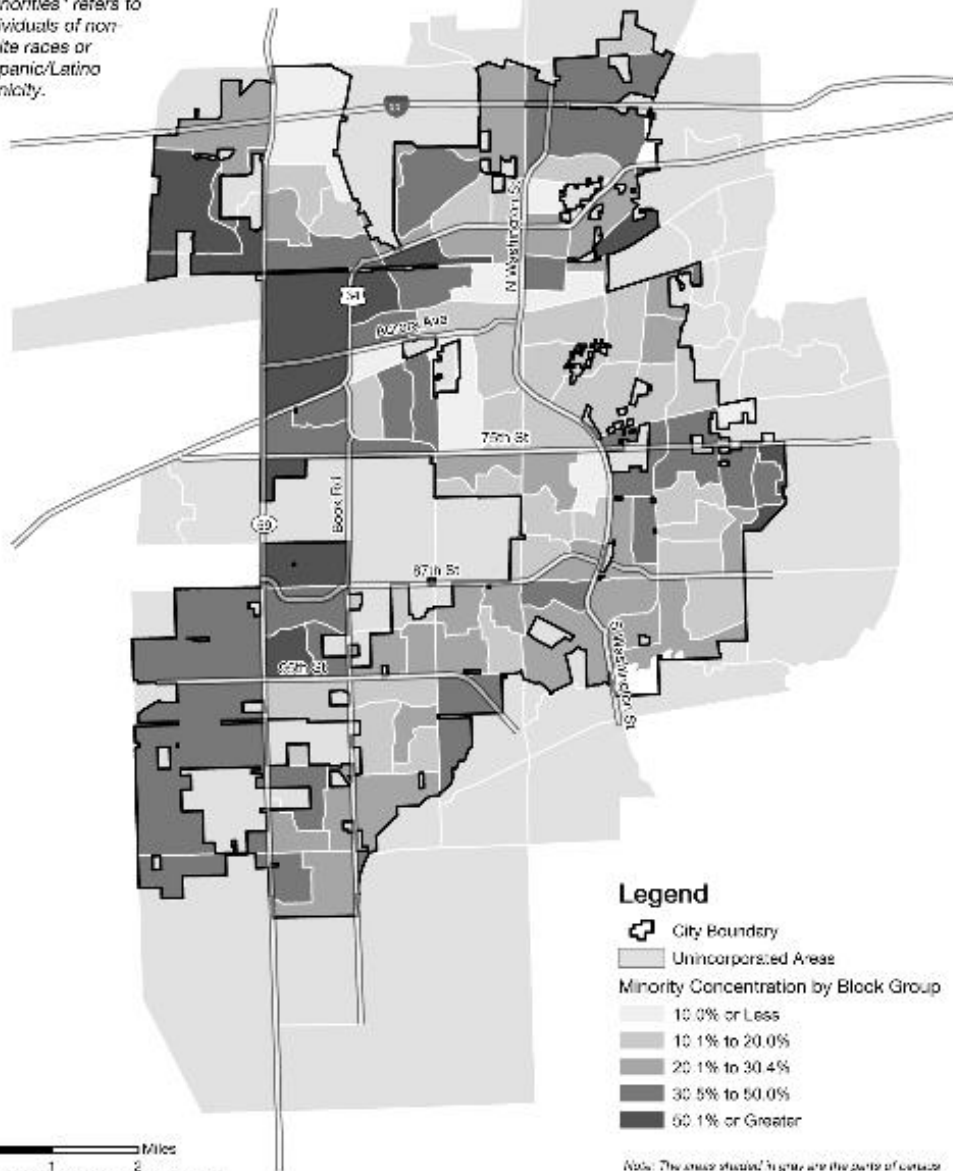
Note: The main thorough highways are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 1, 2015.

Concentrations of Minorities, 2014

City of Naperville AI



"Minorities" refers to individuals of non-White races or Hispanic/Latino ethnicity.



0 1 2 Miles
 Mapping: M. J. & L. Morgan Associates, 2015
 Source: American Community Survey 5-Year Estimates, 2010-2014

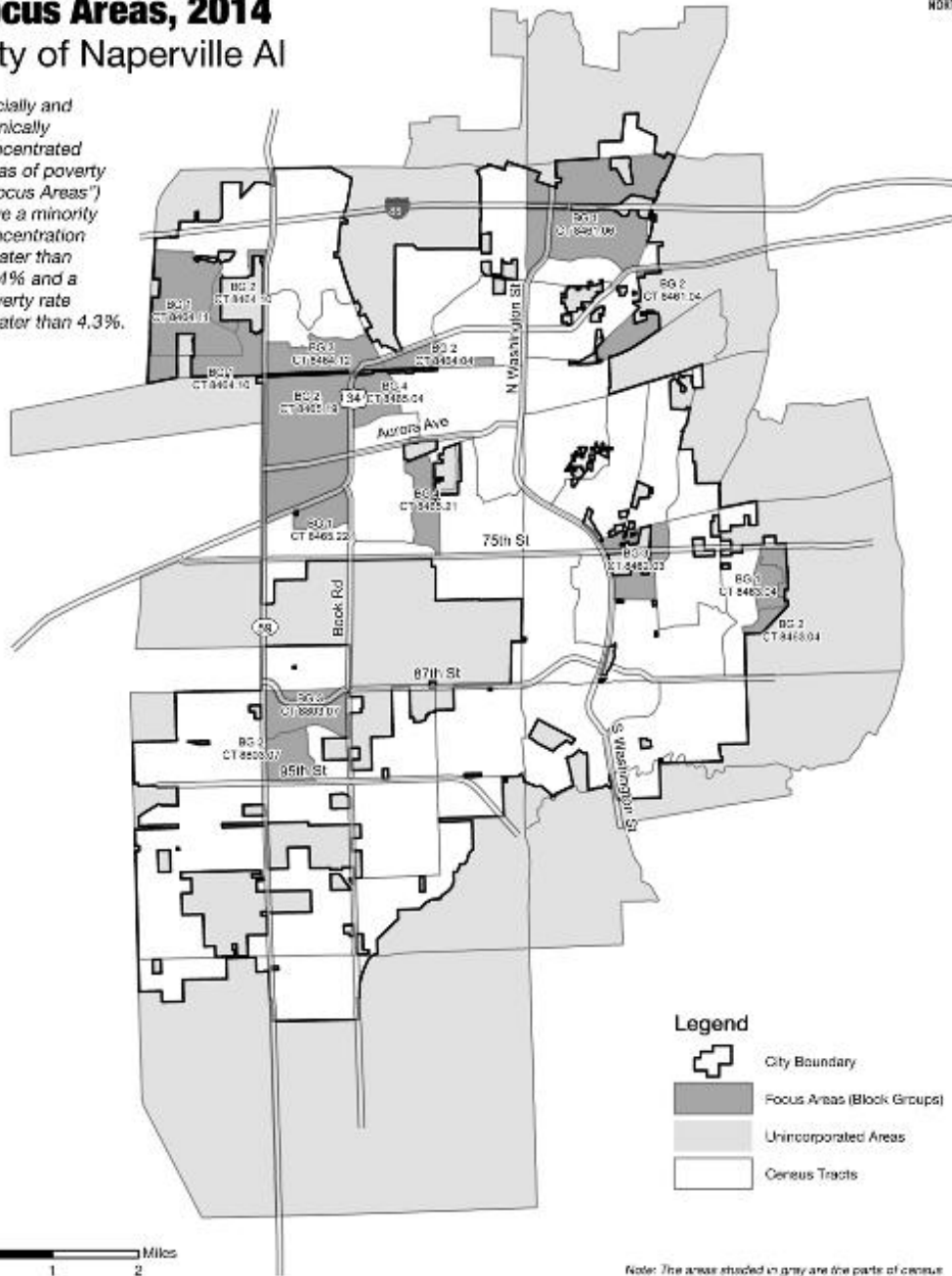
Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2015.

Focus Areas, 2014

City of Naperville AI



Racially and ethnically concentrated areas of poverty ("Focus Areas") have a minority concentration greater than 30.4% and a poverty rate greater than 4.3%.



0 1 2 Miles
 Mapping: MuEn & Lonergan Associates, 2016
 Source: American Community Survey 5-Year Estimates, 2010-2014

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2018.

DISPARITIES IN ACCESS TO OPPORTUNITY

Background

A large body of social research has demonstrated the powerful negative effects of residential segregation on income and opportunity for minority families. Households living in lower-income areas of racial and ethnic concentration have fewer opportunities for education, wealth building, and employment.

The rationale for this analysis is to help communities determine where to invest affordable housing resources by pinpointing the areas of greatest existing need. However, current evidence suggests that adding more subsidized housing to places that already have a high concentration of social and economic issues (i.e. Focus Areas) could be counter-productive, thereby increasing and perpetuating established segregation patterns.

This does not mean such areas should be ignored by communities, however. Residents in Focus Areas still need services and high quality places to live, and stabilizing and improving conditions in the lowest-income neighborhoods should remain a priority for Naperville. Instead, investment should be balanced between existing Focus Areas (with initiatives such as housing rehabilitation and preservation along with public infrastructure and facility improvements) and other neighborhoods that offer opportunities and advantages for families and other protected classes (with initiatives such as new affordable housing development).

To describe the variation in neighborhood opportunity across regions, HUD has adopted a "Communities of Opportunity"⁵ model that assigns each neighborhood a score reflecting the degree to which its residents have access to amenities and services such as good schools, jobs, stable housing, transit, low crime, and minimal health hazards. HUD and the Institute draw upon an extensive research base demonstrating the importance of neighborhood conditions in predicting life outcomes. The ultimate goals of the exercise are to bring opportunities to amenity-deprived areas and to connect people to existing opportunities throughout a region.

Opportunity Mapping

HUD has adapted the Communities of Opportunity model to calculate opportunity index scores for each census tract based on separate dimensions. Each dimension analyzed for this AI includes a collection of variables describing conditions for each census tract in Naperville.

OPPORTUNITY INDICES

The opportunity indices discussed on the following pages are derived from HUD's AFFH Data and Mapping Tool, (AFFH-T) and are estimated over the national distribution. This allows for comparisons to the nation as well as within Naperville. Index values range from 0 to 100, with higher scores indicating greater access to opportunity.

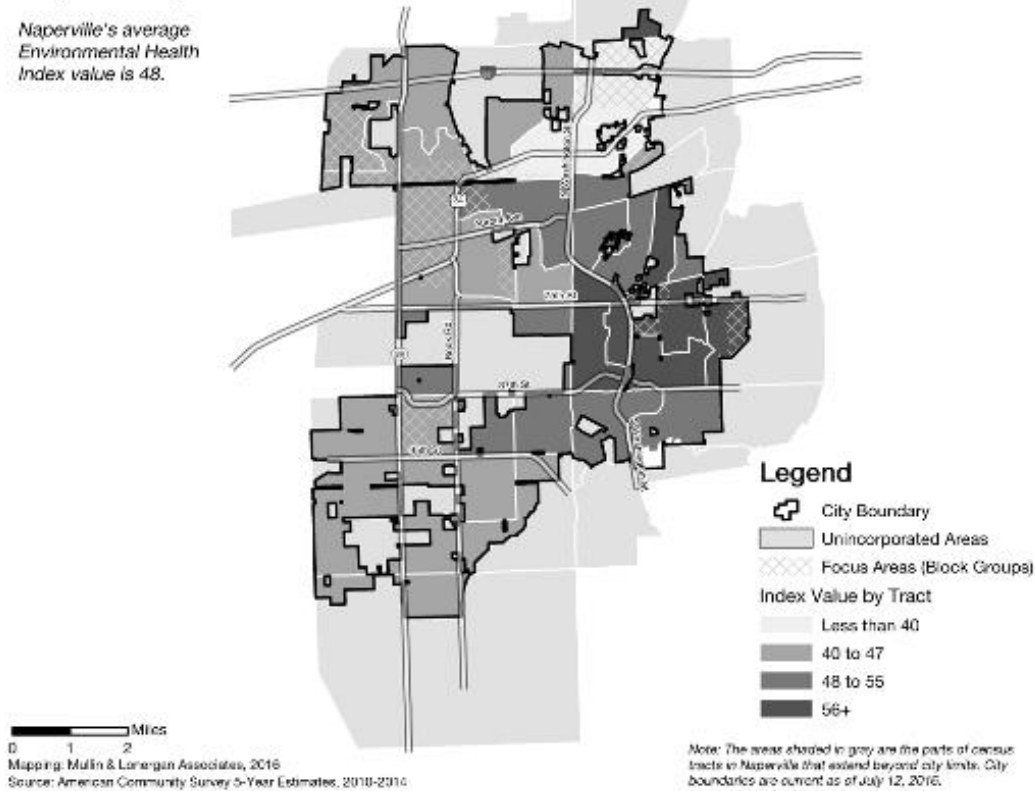
⁵ Kirwan Institute, "Communities of Opportunity: A Framework for a More Equitable and Sustainable Future for All," Ohio State University, 2007.

Environmental Health Index

City of Naperville AI



Naperville's average Environmental Health Index value is 48.



Environmental Health Index

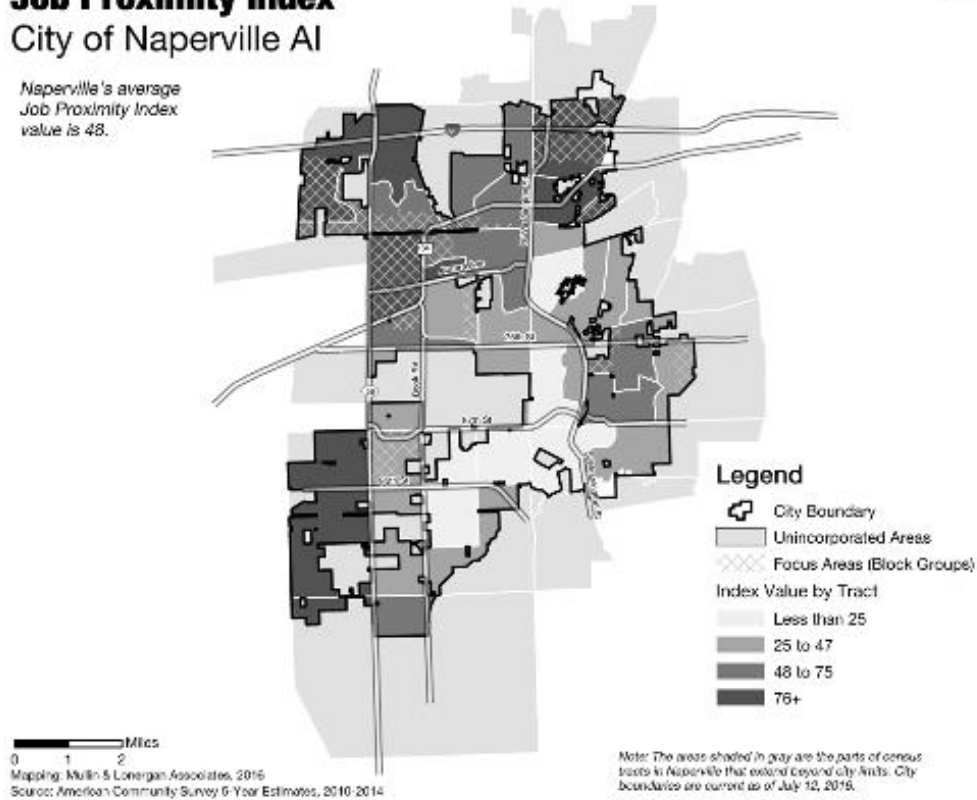
The Environmental Health Index measures the environmental safety of an area by measuring the potential exposure to toxins. Higher values indicate less exposure to toxins harmful to human health.

Overall, Naperville has low Environmental Health Index values, with an average of only 48, likely due to its proximity to a major city and busy transportation routes. Environmental Health Index values are lower in the

western part of the City and in the City's northeast corner, which is home to a lot of traffic due to commercial strip development. The highest values are primarily in the neighborhoods between the Springbrook Forest Preserve and the Greene Valley Forest Preserve. As shown in *Figure 13, Comprehensive Opportunity Indicators*, this index is generally not correlated with race, ethnicity, or poverty.

Job Proximity Index City of Naperville AI

Naperville's average
Job Proximity Index
value is 48.



Job Proximity Index

The Job Proximity Index measures the availability of jobs in each census tract. Higher values indicate more local jobs, which can result in better economic outcomes for nearby residents.

Most areas in Naperville have low Job Proximity Index values, which is unsurprising due to the City's residential character as a suburban bedroom community to Chicago. The highest index values are on the western edge of the City and near the U.S. 34/Ogden Avenue and North Washington Street intersection, where shopping centers and office parks are located. However, these jobs are predominantly retail,

which pay lower wages. As shown in *Figure 13*, Black residents are more likely to live near these lower wage employment opportunities than White, Hispanic, or Asian residents.

Although most of Naperville has low Job Proximity Index Values, the City is well-connected to the commuter rail line that goes to Chicago, where a greater number of employment opportunities are available. Access to transit is measured by the Low Transportation Cost and Transit Trips indices included on the following page.

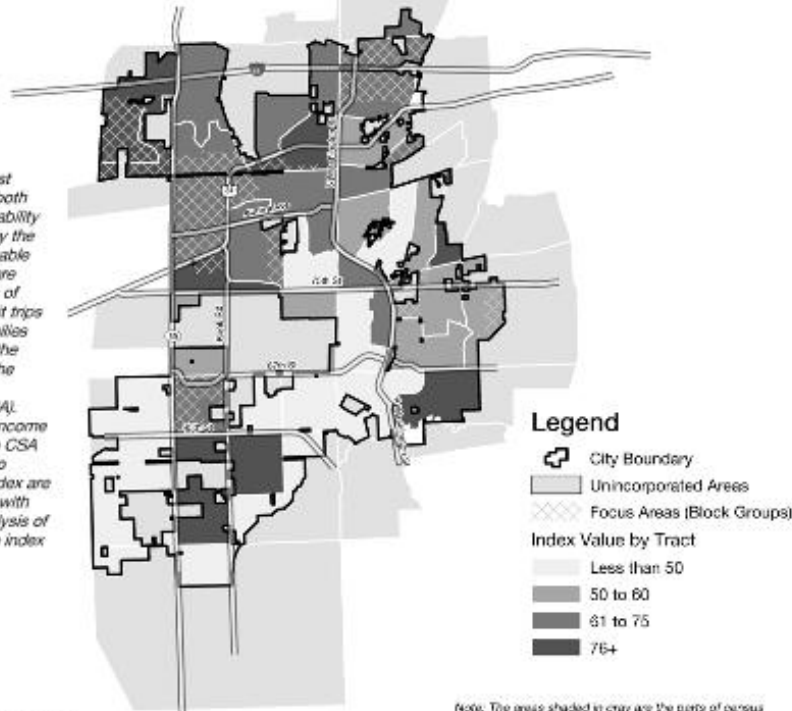
Low Transportation Cost Index

City of Naperville AI



Naperville's average Low Transportation Cost Index value is 61.

HUD's Low Transportation Cost Index and Transit Trips Index both draw from the Location Affordability Index, which was developed by the federal Partnership for Sustainable Communities. These indices are based on 2012 ACS estimates of transportation costs and transit trips for 3-person single-parent families who have incomes at 50% of the median income for renters in the Chicago-Naperville IL-IN-WI Combined Statistical Area (CSA). Because Naperville's median income is much higher than that of the CSA (\$108,252 in 2012 compared to \$61,026), the values for this index are likely based on small samples with high margins of error. The analysis of these indices points out where index values may be inaccurate.



0 1 2 Miles
 Mapping: Mulin & Loring Associates, 2018
 Source: American Community Survey 5-Year Estimates, 2010-2014

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2016.

Low Transportation Cost Index

The Low Transportation Cost Index measures the cost of transportation to and from work. This is important to note from a fair housing perspective because transportation costs can become a significant burden for low-income workers, particularly if affordable housing has poor job accessibility. High values on this map indicate a low cost of transportation.

Generally, higher values on this index are in the northern part of the City. The neighborhoods south of 95th Street near Neuqua Valley High School have the highest Low Transportation Cost values in the City, at 99, but these values may be inaccurate due to small samples.

Neighborhoods with low index values typically have less walkability and poor access to public transportation and nearby employment opportunities.

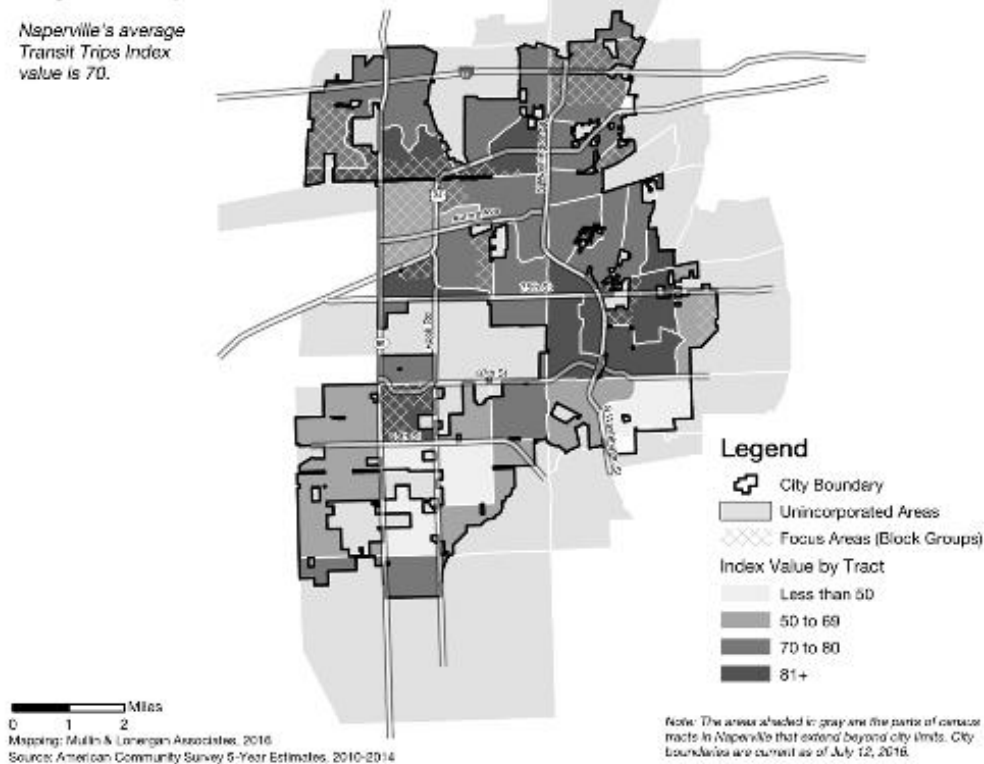
As shown in *Figure 13, Comprehensive Opportunity Indicators*, there is not a strong correlation between Low Transportation Cost Index values and race or ethnicity. However, neighborhoods designated as Focus Areas tend to have lower transportation costs. This is important as many residents in Focus Areas may have incomes too low to afford cars, making it important to preserve and expand transportation service and affordability in these locations.

Transit Trips Index

City of Naperville AI



Naperville's average Transit Trips Index value is 70.



Transit Trips Index

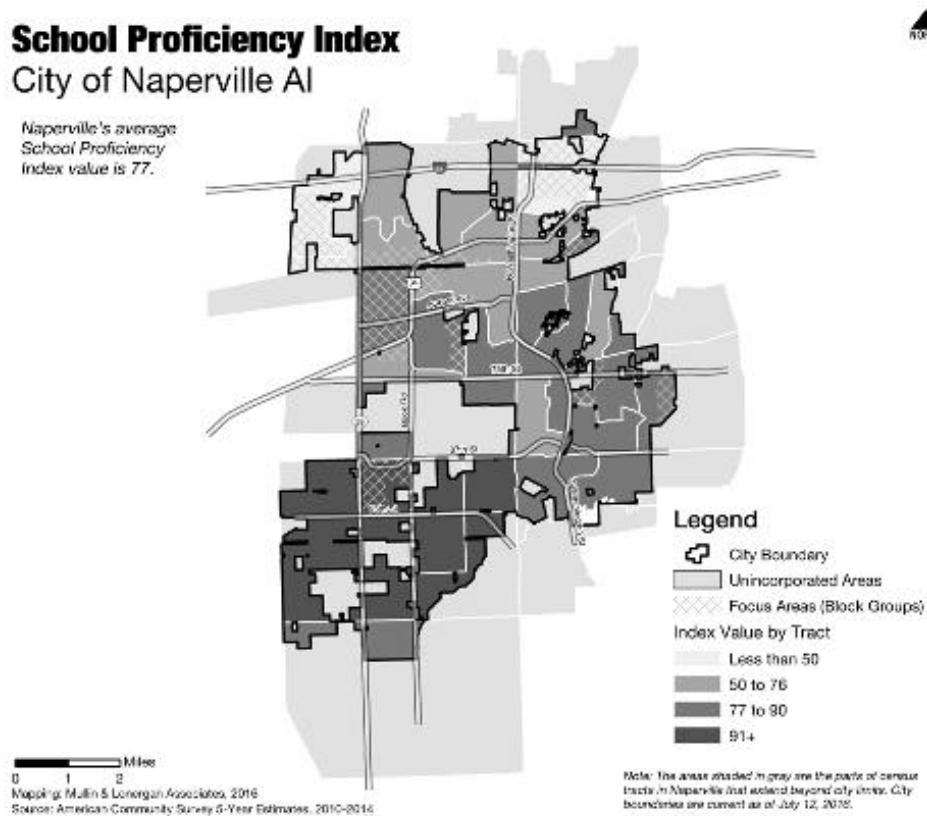
The Transit Trips Index measures the likelihood of residents in a neighborhood to utilize public transit. Higher index values reflect higher transit trips and indicate better access to public transit.

Unsurprisingly, neighborhoods located near Metra stations and bus routes have higher Transit Trips Index values. The neighborhoods with the lowest values were those that scored the highest on the Low Transportation Cost Index, but this is most likely an inaccurate figure due to the small sample size. Generally, neighborhoods south of 87th Street tended to have lower Transit Trips Index values.

Aligning with the Low Transportation Cost Index trends, there is not a strong correlation between Transit Trips Index values and race or ethnicity. However, as shown in the attached map, neighborhoods designated as Focus Areas tend to be located in areas where more transit trips were taken. Preserving and expanding transportation service in these locations is important as residents with lower incomes are often unable to afford personal vehicles.

School Proficiency Index City of Naperville AI

Naperville's average
School Proficiency
Index value is 77.



School Proficiency Index

School proficiency is an indicator of neighborhood opportunity as a quality K-12 education provides a basic foundation for success in adult life. Naperville is served by two high-achieving public school districts, Community Unit School District 203, which also serves parts of Lisle and Bolingbrook, and Indian Prairie School District 204, which also serves parts of Aurora. Students also have the option of attending private schools, which are not accounted for in HUD's School Proficiency Index. Higher scores on this index indicate high-performing schools. The quality of Naperville's public school system is reflected in the City's average School Proficiency Index value of 77.

Although Naperville has a high quality school system, index values vary greatly by neighborhood. The northwest and northeast corners of the City have index scores below 50, indicating low proficiency.⁶ In contrast, the majority of neighborhoods in southwest Naperville have index values higher than 91, indicating very high proficiency schools.

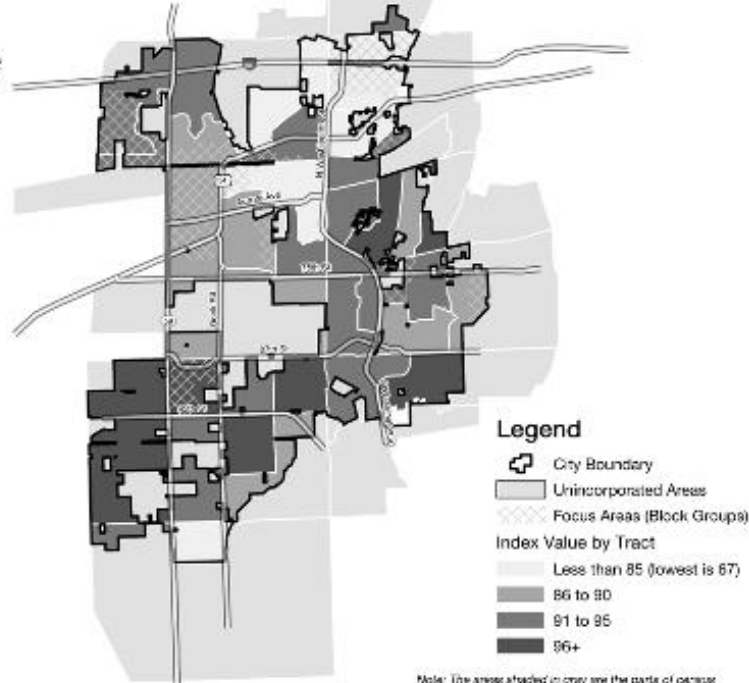
In Naperville, students are assigned to schools based on their home address, so youth living in southwest Naperville

⁶ The presence of more commercial land uses among a relatively low number of dwelling units could explain the discrepancy between high housing values and low school performance in the far northeast.

Labor Market Index City of Naperville AI



Naperville's average Labor Market Index value is 90. The lowest value in the City is 67.



0 1 2 Miles
Mapping: Mullin & Linsengen Associates, 2016
Source: American Community Survey 5-Year Estimates, 2010-2014

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2016.

have better access to educational opportunity compared to their peers in the northwest and northeast corners.

Because rental housing choice for lower income minorities is limited primarily to the northern areas of Naperville, school choice is also restricted to the lower performing school district.

As shown in *Figure 13*, higher values on the School Proficiency Index are only somewhat correlated with race and ethnicity. However, Black residents living below the poverty line are much less likely than White, Asian, or Hispanic residents to have access to quality schools.

Labor Market Index

The Labor Market Index uses data on educational attainment to measure the capacity of the local labor force to enter into skilled labor employment. Higher values indicate more participation and human capital in a neighborhood.

Naperville has a very high average Labor Market Index value at 90. There is very minor geographic variation of index values, with most neighborhoods scoring higher than 80. The one exception is the tract in the northeast corner of the City, which has a Labor Market Index value of 67.

As shown in *Figure 13*, there is little correlation between Labor Market Index

values and race or ethnicity. However, the neighborhood with the lowest index value is designated as a Focus Area. This block group has a minority population of 1,107 (44.3% of the total), most of whom are Asian

Due to Naperville's low poverty rates, this AI uses a custom "Prosperity Index" drawn from 2014 ACS data instead of the AFFH-T "Low Poverty Index," which is based on national data. Consequently, the Prosperity Index does not appear in *Figure 13*, which was developed from HUD's data.

Prosperity Index

Due to Naperville's low poverty rates, this AI uses a custom "Prosperity Index" drawn from 2014 ACS data instead of the AFFH-T "Low Poverty Index," which is based on national data. Consequently, the Prosperity Index does not appear in *Figure 13*, which was developed from HUD's data.

The Prosperity Index, mapped on the following page, captures the magnitude of poverty rates in a given census tract. This index uses the family poverty rate and the percentage of households receiving public assistance. For the purposes of this analysis, "public assistance" refers to Supplemental Nutrition Assistance Program (SNAP), Medicaid, housing assistance, Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF), and General Assistance (GA).

High values on this map indicate high prosperity rates. Areas with high prosperity rates are more likely to foster upward mobility. Deconcentrating poverty is inherently important for

expanding opportunity for members of the protected classes.

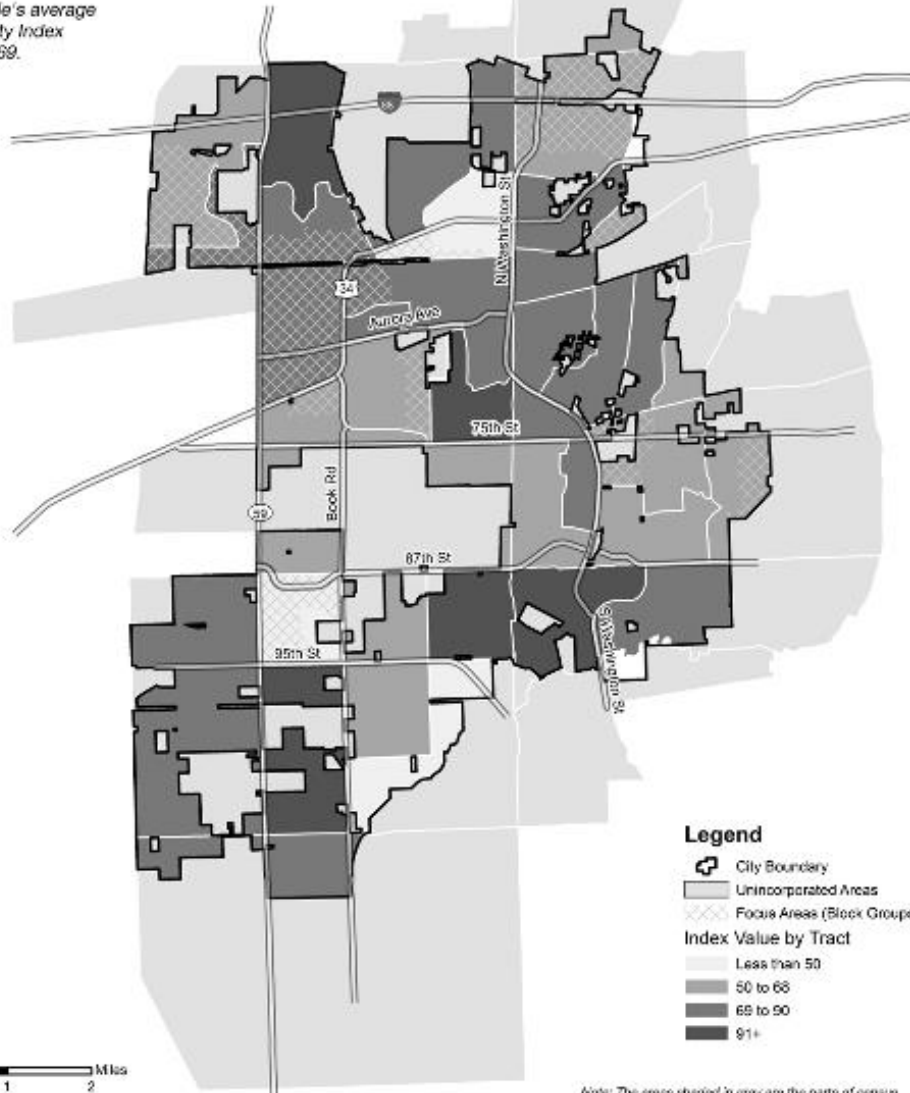
Most of Naperville has medium to high Prosperity Index values, with an average Prosperity Index value of 69. The most affluent areas are south of 87th Street, southwest of the Aurora and North Washington intersection, and southeast of the I-88 and Rt. 59 intersection. The least affluent areas are the neighborhoods east of the U.S. /Ogden and North Washington intersection and the area bordered by 87th Street and 95th Street to the north and south, and Rt. 59 and Book Road to the east and west, respectively.

Focus Areas tended to be located in neighborhoods with Prosperity Index values below the mean. Tracts with lower Prosperity Index values tended to have higher proportions of Black and Hispanic residents living in them, and tracts with the highest Prosperity Index values tended to have the higher concentrations of White residents

Prosperity Index

City of Naperville AI

Naperville's average Prosperity Index value is 69.



0 1 2 Miles
 Mapping: Mullin & Lonergan Associates, 2016
 Source: American Community Survey 5-Year Estimates, 2010-2014

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2016.

Comprehensive Opportunity Scores

The results from the seven sub-indices (prosperity, environmental health, job proximity, low transportation cost, transit trips, school proficiency, and labor market) were summed into one composite score, representing a Comprehensive Opportunity Index.

The objective of the Comprehensive Opportunity Index is to identify places that are good locations for investment that might not have been selected through an analysis of Focus Areas only. Areas with high comprehensive opportunity scores are prime locations for new affordable housing.

As shown in the following map, the highest scoring neighborhoods are primarily located in a contiguous area,

which includes downtown Naperville, neighborhoods west of downtown, and the neighborhoods just west of Washington Street between Aurora Avenue and 87th Street. There is not a strong correlation between Focus Areas and lower-opportunity areas. While there are Focus Areas located in very low opportunity tracts, several Focus Areas are located in very high opportunity tracts:

- Block Group 3, Census Tract 8464.12
- Block Group 2, Census Tract 8465.19
- Block Group 4, Census Tract 8465.04
- Block Group 2, Census Tract 8461.04

Figure 13, Comprehensive Opportunity Scores by Race/Ethnicity

	Environmental Health Index	Job Proximity Index	Low Transportation Cost Index	Transit Trips Index	School Proficiency Index	Labor Market Index
Total Population						
White, Non-Hispanic	47.98	48.42	61.12	68.42	78.26	90.19
Black, Non-Hispanic	45.66	55.32	63.46	72.03	72.38	89.43
Hispanic	46.40	53.00	63.72	71.40	72.32	89.07
Asian, Non-Hispanic*	46.83	50.14	62.12	67.98	76.58	90.12
Population below federal poverty line						
White, Non-Hispanic	48.99	50.19	62.85	72.62	75.87	89.15
Black, Non-Hispanic	48.12	58.08	72.55	72.04	66.74	85.97
Hispanic	45.04	53.06	57.81	78.46	73.57	92.16
Asian, Non-Hispanic*	45.50	50.68	56.71	72.21	79.51	90.52

Source: HUD AFFH-T, 2016. See AFFH Data Documentation at <https://www.hudexchange.info/resource/4848/affh-data-documentation/>

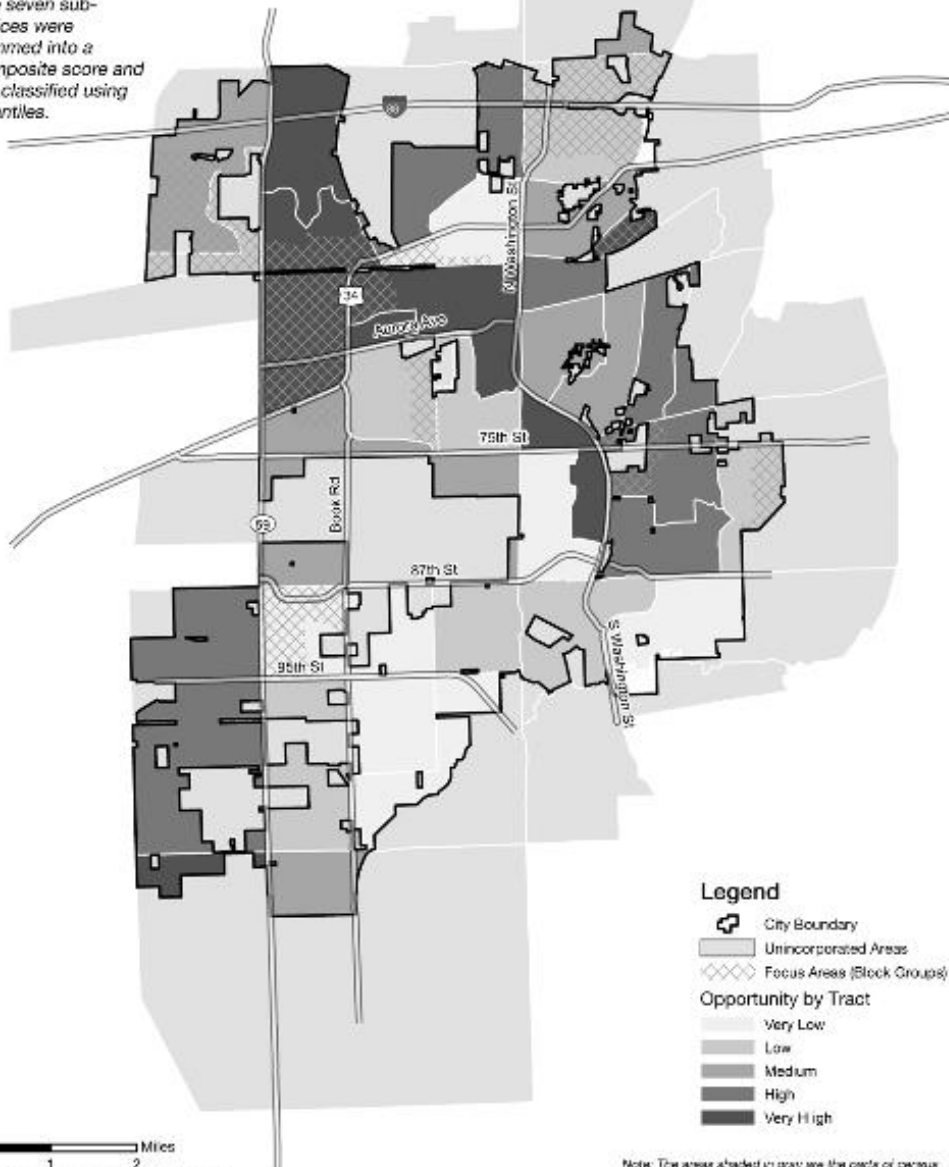
* Note: The HUD AFFH-T includes Pacific Islanders in this definition. The rest of the analysis in the AI does not, based on the small numbers of this population.

Comprehensive Opportunity Index

City of Naperville AI



The seven sub-indices were summed into a composite score and are classified using quantiles.



0 1 2 Miles
 Mapping: Mullin & Lonergan Associates, 2016
 Source: American Community Survey 5-Year Estimates, 2010-2014

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2016.

DISPROPORTIONATE HOUSING NEEDS

Minorities and elderly families experience housing problems at disproportionately high rates

A lack of quality affordable housing can lead to overcrowding in units and occupying substandard housing, which are indicative of constrained housing choice. These variables signify acute and unanswered housing needs within a community, and high rates of these are indicative of housing problems.

Households with any of the following characteristics are classified as having a housing problem:

- Lacking complete kitchen or plumbing facilities
- More than one person per room
- Cost burden: monthly housing costs, including utilities, exceeds 30% of monthly income

Households with one of the following characteristics are said to have a severe housing problem:

- Lacking complete kitchen or plumbing
- More than 1.5 persons per room
- Severe cost burden: monthly housing costs, including utilities, exceeds 50% of monthly income

Figure 14, Housing Problems

Households with housing problems	Total Household	# with problems	% with problems
Race/Ethnicity			
White, Non-Hispanic	37,070	10,160	27.4%
Black, Non-Hispanic	2,565	1,015	39.6%
Hispanic	2,110	860	40.8%
Asian, Non-Hispanic	6,555	2,065	31.5%
Other	699	215	30.8%
Total	48,999	14,315	29.2%
Household Type and Size			
Family households, <5 people	32,165	7,875	24.5%
Family households, 5+ people	5,859	1,845	31.5%
Non-family households	10,970	4,595	41.9%
Elderly households	3,990	1,810	45.4%
Households with severe housing problems			
	# household	# with severe problems	% with severe problems
Race/Ethnicity			
White, Non-Hispanic	37,070	4,270	11.5%
Black, Non-Hispanic	2,565	540	21.0%
Hispanic	2,110	480	22.8%
Asian, Non-Hispanic	6,555	970	14.8%
Other	699	115	16.5%
Total	48,999	6,375	13.0%

Source: HUD AFFH-T, 2016. See AFFH Data Documentation at <https://www.hudexchange.info/resource/4848/affh-data-documentation/>

* Note: The HUD AFFH-T includes Pacific Islanders in this definition. The rest of the analysis in the AI does not, based on the small numbers of this population.

The majority of housing problems in Naperville relate to cost burden: less than 1% of City residents lack complete kitchen facilities or plumbing facilities, and approximately 1% have more than one occupant per room. As shown in *Figure 14, Housing Problems*, Black households, Hispanic households, non-family households, and elderly families experience housing problems at disproportionately high rates – meaning they experience housing problems at a rate at least five percentage points higher than the average of 29.2%.

As shown in *Figure 15* below, 12.0% of all households in Naperville experience severe cost burden. Black households, Hispanic households and non-family households all experience severe cost burden at disproportionately high rates. Of these groups, Black households experience the greatest rate of severe cost burden, at 21.3%.

Figure 15, Severe Cost Burden

	Total households	# households with severe cost burden	% with severe cost burden
Race/Ethnicity			
White, Non-Hispanic	37,070	4,015	10.8%
Black, Non-Hispanic	2,565	545	21.3%
Hispanic	2,110	365	17.3%
Asian, Non-Hispanic*	6,555	820	12.5%
Other	699	115	16.5%
Total	48,999	5,860	12.0%
Household Type and Size			
Family households, <5 people	32,165	3,069	9.5%
Family households, 5+ people	5,859	600	10.2%
Non-family households	10,970	2,204	20.1%
Elderly households	7,710	1,130	14.7%

Source: HUD AFFH-T, 2016 (See AFFH Data Documentation at <https://www.hudexchange.info/resource/4848/affh-data-documentation/>) and CHAS, 2013.

* Note: The HUD AFFH-T includes Pacific Islanders in this definition. The rest of the analysis in the AI does not, based on the small numbers of this population.

Publicly Supported Housing

INTRODUCTION

This section of the AI analyzes the demographic composition and location of publicly supported housing units in the City of Naperville. An evaluation of the City's policies related to the development, financing, and siting of housing follows this analysis to determine whether or not the policies contain any provisions that may restrict fair housing choice.

This data is primarily from the HUD Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T) and the United States Census Bureau, which publishes the American Community Survey (ACS) as well as a comprehensive decennial census. At the time of publication, the most recent year for which ACS data is available was 2014.

HUD's AFFH-T uses a variety of data sources from different years. Consequently, numbers and estimates from this source may differ slightly from the demographic and housing data presented earlier in this document. Data documentation for the HUD AFFH-T is included in the appendix to this AI.

KEY CONCLUSIONS

The following key conclusions are drawn from the publicly supported housing analysis:

- Although the median family income for Blacks in Naperville is \$73,333, Blacks are disproportionately represented among Housing Choice Voucher recipients
- The prevalence of single-family zoning districts south of 87th Street and of multi-family zoning districts north of Aurora Avenue coincide with higher concentrations of rental units and poverty rates in the northern neighborhoods.
- The City Clerk's Office lacks a formal Language Access Plan to ensure meaningful access for persons with limited English proficiency to its housing programs and services
- The City lacks an affordable housing policy to facilitate the creation of new affordable housing units as part of all new residential development
- The City's comprehensive plan falls short in addressing affordable housing for non-elderly, non-disabled residents
- Two Focus Areas have limited public transit access

OVERVIEW

Public Housing and Rental Assistance

HUD has three primary housing programs for eligible low-income households: Public Housing, Project-Based Section 8 vouchers (PBV), and the Housing Choice Voucher (HCV) program. Public Housing refers to rental units owned and operated by Public Housing Authorities (PHAs). The Project-Based Section 8 program provides rental housing in privately-owned and operated rental units. Finally, the HCV program provides a subsidy for eligible households to rent private, market-rate units.

DuPage Housing Authority (DHA) serves the City of Naperville. DHA does not own or operate any traditional public housing units, but it manages 19 Project-Based Section 8 vouchers and 386 Housing Choice Vouchers in Naperville. The 19 PBVs are spread across three developments. One, Olympus Place, is a permanent supportive housing development operated by DuPage PADS that provides 11 DHA-supported rental units and wrap-around services to the chronically homeless. The other 8 DHA PBV units are in two group homes for the disabled and operated by Trinity Services.

In addition to the DHA administered PBVs, several developments in the City receive direct PBV subsidies from HUD. Together, these 764 units account for 1.5% of the 52,513-unit housing inventory and 6.3% of the 12,070-unit rental supply. More detail about these units is summarized in *Figure 16, Assisted Rental Units*.

Low Income Housing Tax Credits

The Low-Income Housing Tax Credit (LIHTC) program encourages the private sector to invest in the development of affordable rental housing for lower income households in return for the receipt of federal tax credits.

LIHTC funds have been used to support two developments in Naperville: Country Wood Apartments, a mixed family/elderly development with 180 affordable units, and Katharine Manor, which has 11 affordable units for the disabled, 5 of which were subsidized through the LIHTC program.

Figure 16, Assisted Rental Units, 2016

Development	Population Served	# of Units	Subsidy
Charles Court Apartments	Family/Elderly	129	HUD PBV
Country Wood Apartments	Family/Elderly	180	LIHTC
Katharine Manor	Disabled	5	LIHTC
Martin Avenue Apartments	Elderly	122	HUD PBV
Ogden Manor Apartments	Family/Elderly	108	HUD PBV
Olympus Place	Chronically Homeless	11	DHA PBV
Trinity Services	Disabled	8	DHA PBV

Source: DuPage Housing Authority, HUD LIHTC Database 2016, HUD AFFH-T 2016.

Community Development Block Grant Program

Naperville regularly allocates a portion of its annual Community Development Block Grant (CDBG) funding to the acquisition and rehabilitation of affordable housing units. Between 2011 and 2016, the City used CDBG funds to assist 22 rehabilitation and/or acquisition projects that benefitted low-income families, homeless families, the elderly, and the disabled.

HOME Program

The City of Naperville participates in the DuPage County HOME Consortium. Naperville has one representative on the DuPage HOME Advisory Committee, which selects projects for funding on an annual basis.

Several projects funded by the HOME Advisory Committee have taken place in Naperville, including the construction of Ogden Manor in 1996, the acquisition of Olympus Place in 2006, and scattered site acquisition and rehabilitation by Community Housing Advocacy and Development (CHAD).

DEMOGRAPHICS

This section only discusses the demographic characteristics of HUD direct Project-Based Section 8 tenants and HCV recipients as there is no equivalent information readily available for other programs in Naperville.

Project-Based Section 8 Residents

The 359 units supported by the Project-Based Section 8 (PBV) program are in three developments: Martin Avenue Apartments, Charles Court, and Ogden Manor. Of the residents in these units, 84.4% are elderly, and 8.0% have a disability.

These numbers are not reflective of the City's population as a whole, because both Martin Avenue Apartments and Charles Court are restricted to individuals aged 62 and over. Disability rates tend to be higher among the elderly population.

The racial/ethnic composition of PBV beneficiaries is not representative the City's general population

Non-Whites comprise 34.5% of the PBV recipient population, but only 25.2% of the City's overall population. As discussed in the Demographic and Housing Analysis section, non-Whites in Naperville tend to have lower incomes, so there is likely a disproportionate number of non-Whites who require and are eligible for these housing opportunities.

Housing Choice Voucher Recipients

The demographic characteristics of HCV recipients are a stark contrast to those of PBV recipients and the citywide population. The proportion of residents aged 62 and over among this population is 11.6%, which is lower than the City overall at 13.3% and much lower than the PBV figure. The HCV recipient population in Naperville has a higher disability rate, at 17.1%.

Figure 17, Publicly-Supported Households by Race/Ethnicity

Type of Assistance	White		Black		Hispanic		Asian	
	#	%	#	%	#	%	#	%
PBV (HUD Direct Subsidy)	186	65.5	33	11.6	9	3.2	56	19.7
HCV	97	25.4	280	73.3	5	1.3	0	0.0
Citywide Population	84,261	74.8	4,965	4.4	6,242	5.5	14,729	13.1

Source: HUD AFFH-T 2015.

Blacks are disproportionately represented among Housing Choice Voucher recipients.

Most notably, the proportion of HCV households who are Black (73.3%) is much higher than the percent of City households who are Black, at 4.3%. There are two main possible reasons for these differences. First, a disproportionate number of Black residents have low incomes and require housing assistance. Second, HCVs are issued through the DuPage County Housing Authority, and are not restricted to existing residents of Naperville. There are likely a number of HCV recipients who moved into Naperville from surrounding areas, many of which have larger non-White populations than Naperville itself. However, it is indicative of the need among non-Whites to receive housing assistance in order to afford a rental unit in Naperville.

LOCATION

The following map shows the location of properties in Naperville that have received funding through the Project-Based Section 8 program, LIHTC, the City's CDBG allocation, or the DuPage County HOME Consortium.⁷ Data on the specific locations of Housing Choice Voucher holders is unavailable due to privacy reasons, but HUD does provide information on the number of HCV households by tract. This information is also displayed in the "Assisted Housing and Access to Opportunity" map.

⁷ Locations of the group homes operated by Trinity Services are not available due to privacy concerns.

Most of the assisted units and households with vouchers in Naperville are located above 75th Street. There are no assisted units, and few HCV households, in the portion of the City that lies within Will County, below 87th Street.

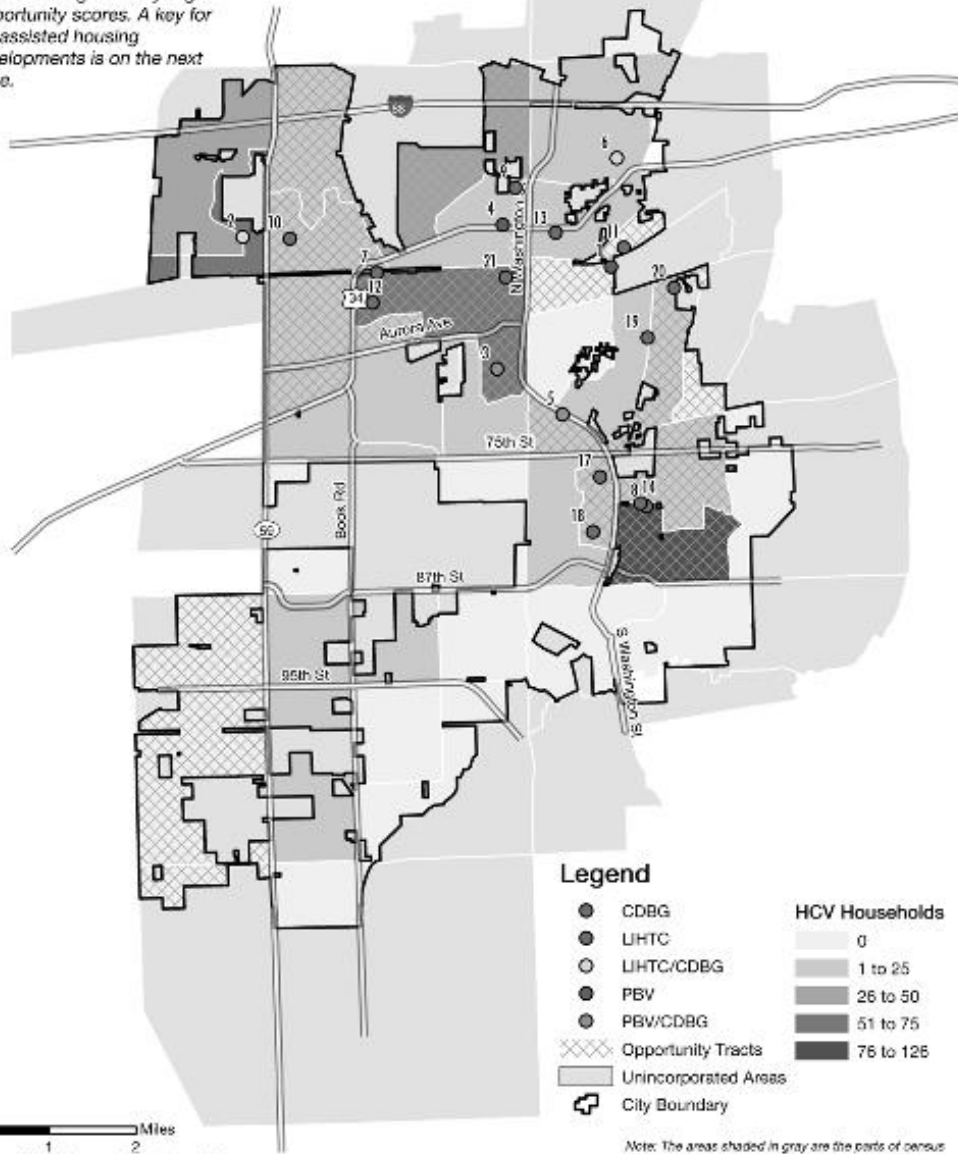
Assisted units are not concentrated in any one part of the City, but some clustering is present in the northeast and northwest areas and where Ogden Avenue curves eastward. The distribution of households using HCVs is far less even. Most census tracts contain less than 25 HCV households, with an average of 12 HCV households. Sixteen tracts, most of which are located south of 87th Street, have no HCV households at all. The five tracts that have more than 25 HCV households contain 70.4% of the City's total and are located north of 75th Street with the exception of one tract east of South Washington Street between 75th and 87th Streets.

These high concentrations most likely coincide with the presence of a higher number of rental properties that accept Housing Choice Vouchers. The limited amount of HCV households in the southern portion of the City is likely due to a lack of available rental housing, a preponderance of owner-occupied single family homes, and higher housing prices in this area.

Assisted Housing and Access to Opportunity City of Naperville AI



"Opportunity Tracts" are those tracts with High or Very High Opportunity scores. A key for the assisted housing developments is on the next page.



0 1 2 Miles
 Mapping: Mullin & Loringan Associates, 2016
 Source: American Community Survey 5-Year Estimates, 2010-2014

Note: The areas shaded in gray are the parts of census tracts in Naperville that extend beyond city limits. City boundaries are current as of July 12, 2016.

Residents with housing choice vouchers have mixed levels of access to opportunity

As shown in the “Assisted Housing and Access to Opportunity” map, residents of assisted housing units and in households with Housing Choice Vouchers have mixed levels of access to opportunity. Most (66.3%) of HCV holders and most (68.0%) of the assisted developments are located in areas with high or very high opportunity. The large number of HCV holders and residents of assisted housing units in the northwest corner, however, do not live in high opportunity areas. These residents have lower levels of access to community assets that can provide the economic opportunities needed to enhance their quality of life, such as high-wage employment opportunities and access to public transit.

Figure 18, Assisted Housing Map Key

Map ID	Funding	Population Served
1	PBV	Mixed (Family/Elderly)
2	LIHTC/CDBG	Mixed (Family/Elderly)
3	PBV/CDBG	Elderly
4	PBV	Mixed (Family/Elderly)
5	PBV/CDBG	Chronically Homeless
6	LIHTC/CDBG	Disabled
7	CDBG	Homeless Family
8	CDBG	Homeless Family
9	CDBG	Family
10	CDBG	Family
11	CDBG	Family
12	CDBG	Family
13	CDBG	Family
14	CDBG	Family
17	CDBG	Disabled
18	CDBG	Disabled
19	CDBG	Disabled
20	CDBG	Disabled
21	CDBG	Elderly

Source: City of Naperville, DuPage Housing Authority, HUD LIHTC Database 2016, HUD AFFH-T 2016.

PUBLIC POLICY ANALYSIS

Local units of government can affirmatively further fair housing choice through policies related to the development, financing, and siting of housing. The analysis below evaluates these policies for the City of Naperville.⁸

CDBG and HOME Programs

Naperville is a CDBG entitlement and participates in the DuPage County HOME Consortium. Collectively, the CDBG and HOME programs are under the authority of the Community Planning and Development (CPD) division of the U.S. Department of Housing & Urban Development (HUD). Annually, Naperville develops an Annual Action Plan to identify the eligible activities it will fund and implement with HUD CPD funds. In the past decade, funding from HUD has decreased as regulations have required more administrative capacity. This results in entitlements needing to “do more with less”, including the goal of affirmatively furthering fair housing choice. This section analyzes the local policies in place that guide how the City affirmatively furthers fair housing as part of funding decisions through the Annual Action Plan process. Because Naperville is not a HOME entitlement, it does not have any policies that specifically relate to the HOME program.

⁸ Although DuPage Housing Authority participated in the development of this document, this is not a joint Analysis of Impediments. DHA and the City of Naperville are two separate entities, so the discussion of DHA’s policies is outside the scope of this AI.

Funding Priorities

Examining the amount of total annual allocations spent specifically on fair housing provides insight into how communities prioritize their commitment to affirmatively further fair housing. Such activities include fair housing planning, preparing an Analysis of Impediments to Fair Housing Choice, providing fair housing education and outreach for City officials, department staff, sub-recipients and the general public, and using techniques like paired testing to assess the level of discrimination in the private housing market.

Naperville allocated CDBG funds for the preparation of an AI in 2007 and again in 2015. The City does not currently provide fair housing education and outreach activities on a regular basis as a means of stopping discrimination and informing residents of their rights.

Project Selection

Communities can implement their commitment to affirmatively further fair housing through an application process that favors projects that expand fair housing choice. For example, communities can require applicants to answer questions about how projects affirmatively further fair housing choice. Communities can also establish an affordable housing location policy to place a higher priority on housing-related activities that occur in higher opportunity areas.

Naperville does not have an affordable housing location policy, and its current application form does not include questions about how proposed projects would improve fair housing choice.

Although the City has not formally incorporated fair housing considerations in its application process, it regularly allocates CDBG funding to projects that further fair housing choice by preserving and increasing affordable, accessible housing stock.

Program Access

Persons with limited English proficiency (LEP) are defined by the federal government as persons who have a limited ability to read, write, speak, or understand English. HUD requires recipients to provide translated vital written materials related to funded programs.

The City Clerk's Office lacks a formal Language Access Plan to ensure meaningful access for persons with limited English proficiency to its housing programs and services

As detailed in the Data Analysis chapter, 6.2% of Naperville's residents have LEP. Chinese and Spanish language groups meet the HUD thresholds requiring provision of translated documents in Naperville. The City Clerk's Office does not have translated vital documents on file, but will provide translations upon request. The Clerk's Office also lacks a Language Access Plan that outlines how it will meet its obligation to ensure meaningful access for persons with LEP to its housing programs and activities.

Monitoring

Entitlements can ensure that sub-recipients affirmatively further fair housing by requiring and enforcing compliance with fair housing statutes through sub-recipient agreements.

The City's sub-recipient agreements state that compliance with relevant HUD statutes is required.

Affordable Housing Set-Aside Policy

Encouraging or mandating private housing developers to construct affordable housing through an incentive-based affordable housing set-aside policy, also known as inclusionary zoning, can expand fair housing choice by providing a wider range of housing opportunities for low-income individuals. Inclusionary zoning involves a specified number or percentage of new housing units in a development that are set-aside for moderately priced homes. Developers often receive incentives such as density bonuses or a reduction of parking requirements in return for implementing an affordable housing set-aside. As explained previously, low-income individuals in Naperville tend to be members of the protected classes, so such a policy would affirmatively further fair housing choice by fostering new development of affordable units in higher opportunity areas.

Comprehensive Plan

A community's primary housing policy is typically expressed in the form of a comprehensive plan, usually within a housing plan element. Within this document, the community sets forth its goals and objectives for meeting the housing needs of current and future residents. Often, this policy document includes broad statements that seek to address the diversity of housing needs for a variety of household types and at a variety of income levels. And, in nearly all cases, a jurisdiction will develop

these goals and objectives based on a community-driven process.

The criteria used to evaluate the City's comprehensive plan were based, in part, on best practices suggested in HUD's Fair Housing Planning Guide. Specifically, for the purposes of this evaluation, the following criteria were reviewed:

Housing

- Specifically states the City's goal to provide a variety of housing unit types for a variety of household types at all income levels
- Recognizes the need for affordable housing for special needs populations, such as persons with disabilities, the elderly, etc.
- Recognizes and addresses homelessness
- Contains a specific description of the City's housing needs by family/household type and income level for both owners and renters
- Includes a policy statement or goal to address the affordable housing needs
- Promotes an affordable housing set-aside for any new residential development proposed
- Encourages a diversity in dwelling unit types, such as accessory units, townhouses, infill units, etc.
- Promotes preservation/maintenance of affordable housing
- Promotes homeownership for low- and moderate-income homebuyers
- Prioritizes land for affordable housing through land banking or some other comparable mechanism

Transportation

- Includes recognition of linkages between housing, public transit, and employment opportunities
- Recognizes need to provide transit access between lower income neighborhoods and employment centers

Land Use

- Promotes mixed-use neighborhoods with mixed-income housing
- Encourages land to be zoned in a manner that facilitates the preservation, rehabilitation, and construction of affordable housing to meet local needs

Parks and Open Space Element

- Commits to providing parks, recreational facilities, and open spaces with service areas that cover all of the City, including neighborhoods with lower income and multi-family/mixed-use housing types

Community Facilities

- Commits to providing community facilities (i.e. schools, libraries, emergency services, etc.) with service areas that cover all of the City, including neighborhoods with lower income and multi-family/mixed-use housing types

Goals and Objectives

- Commits to supporting affordable housing initiatives in the City

The City's comprehensive plan falls short in addressing affordable housing for non-elderly, non-disabled residents

Although the plan aims to create a mixture of lot sizes and housing types, it does not specify targeted household types and income levels. Preservation of existing housing stock is emphasized, but not linked to affordable housing in any way. Neither affordable housing nor homelessness are addressed anywhere in the comprehensive plan.

The plan does promote the importance of creating connections between housing and public transit, as well as the provision of parks and community facilities with appropriate service areas.

The comprehensive plan only addresses senior and accessible housing and community facilities on a cursory level, but the City has developed a separate document, "Action Plan: Addressing the Housing Needs of Naperville's Low to Moderate Income Senior Citizens and Residents with Disabilities," specifically focused on these issues in 2010. Naperville's "Downtown 2030" plan also encourages accessibility, focusing on community facilities and infrastructure.

Zoning

Given that zoning ordinances govern the location and characteristics of various land uses, they have the potential to restrict fair housing choice.

Many common fair housing zoning issues are interrelated with affordable housing issues. Because members of the protected classes are disproportionately affected by a lack of

affordable housing, zoning that effectively restricts affordable housing development can be an impediment to fair housing choice as well. For example, many zoning ordinances place restrictions on the location of multi-family housing units, which often results in the concentration of affordable housing in low opportunity areas. As explained in the Demographic and Housing Analysis section of this AI, affordable housing and fair housing choice are tightly linked, as low-income residents disproportionately tend to be members of the protected classes.

Naperville's zoning ordinance was reviewed to identify policies that may potentially impede housing choice and affordability. The analysis was based on topics raised in HUD's Fair Housing Planning Guide, which include:

- The opportunity to develop various housing types (including apartments and housing at various densities)
- The treatment of mobile or manufactured homes
- Minimum lot size requirements
- Dispersal requirements for housing facilities for persons with disabilities in single family zoning districts
- Restrictions of the number of unrelated persons in dwelling units based on the size of the unit or the number of bedrooms

Benchmarking

To evaluate the ordinance consistently, a benchmarking tool was used to assess the ordinance against eleven criteria that are either common indicators of impediments or language that addresses impediments to fair housing choice. The indicators are based on best practices and

recommendations from HUD's Fair Housing Planning Guide

The full set of criteria includes:

1. Ordinance defines "family" inclusively, without a cap on the number of unrelated persons, with a focus on functioning as a single housekeeping unit
2. Ordinance defines "group home" or similarly named land use comparably to single family dwelling units
3. Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special permit or public hearing
4. Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions
5. Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions
6. Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right
7. Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)
8. Ordinance does not restrict residential uses such as transitional housing or permanent supportive housing facilities exclusively to non-residential zoning districts
9. Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less

10. Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district

11. Ordinance permits manufactured and modular housing on single lots like single family dwelling units

Each criterion was assigned one of two values. A score of "1" means that the criterion applies to the zoning ordinance – i.e., the impediment was not present in the ordinance or that the positive measure was in place. A score of "2" means that the criterion does not apply – i.e., the impediment was present or that the positive measure was not.

For example, a zoning ordinance would receive a score of "1" for providing residential zoning districts with a minimum lot size of 10,000 square feet, and a score of "2" for including exterior design/aesthetic standards for single family dwelling units. The final benchmark score is a simple average of the individual criterion. A score of 1.00 to 1.24 indicates an ordinance at low-risk relative to discriminatory provisions; a score of 1.25 to 1.49 indicates a moderate risk; and a score of 1.50 to 2.00 indicates a high risk.

The City's zoning ordinance does not allow modular housing in any residential district

Naperville's zoning ordinance received a score of 1.23, indicating that the City is at low risk relative to discriminatory provisions for housing and members of the protected classes. The City scored well on most items, but lost points for several items that have a large impact on housing choice. For example, the City does not explicitly permit uses such as transitional housing or permanent supportive housing facilities in residential zoning districts.

Depending on the physical characteristics of these facilities, they could be regulated as Residential Care Homes (which are allowed in all residential districts), or Boarding Houses, which are more restricted. Additionally, manufactured/modular housing is only allowed in the R-5 Mobile Home Park district, which is not included on the City's zoning map.

Figure 19, Zoning Ordinance Scores

Zoning Ordinance Provision	Score
Ordinance defines "family" inclusively, without cap on number of unrelated persons, with focus on functioning as a single housekeeping unit	1
Ordinance defines "group home" or similarly named land use comparatively to single family dwelling units	1
Ordinance allows up to 6 unrelated people with disabilities to reside in a group home without requiring a special use/conditional use permit or public hearing	1
Ordinance regulates the siting of group homes as single family dwelling units without any additional regulatory provisions	1
Ordinance has a "Reasonable Accommodation" provision or allows for persons with disabilities to request reasonable accommodation/modification to regulatory provisions	2
Ordinance permits multi-family housing of more than 4 units/structure in one or more residential zoning districts by-right	1
Ordinance does not distinguish between "affordable housing/multi-family housing" (i.e., financed with public funds) and "multi-family housing" (i.e., financed with private funds)	1
Ordinance does not restrict residential uses such as emergency housing/homeless shelters, transitional housing, or permanent supportive housing facilities exclusively to non-residential zoning districts	1.5
Ordinance provides residential zoning districts with minimum lot sizes of ¼ acre or less	1
Ordinance does not include exterior design/aesthetic standards for all single family dwelling units regardless of size, location, or zoning district	1
Ordinance permits manufactured and modular housing on single lots like single family dwelling units	2

Public Transit

Households without a vehicle are at a disadvantage in accessing jobs and services, particularly if public transit is inadequate or absent. In addition, households without access to a vehicle are primarily low-income or moderate-income. Access to public transit is critical to these households. Without convenient transit, their employment is potentially at risk and their ability to remain housed is threatened. The linkages between residential areas and employment opportunities are key to expanding fair housing choice, particularly in racially or ethnically concentrated areas of poverty.

As shown in Figure 19, most of Naperville's residents drive to work, either alone (75.3%) or through a carpool (4.6%). A large number use public transit, primarily the Metra commuter rail service to Chicago and surrounding areas.

Naperville has two Metra stations, both in the northern part of the City. Trains run frequently during peak commuting hours and regularly throughout the day.

Pace suburban bus, operated by the Regional Transit Authority, has several routes that serve the Naperville area. However, the majority of these routes only operate during peak commuting hours. Only two routes provide all-day service, and they have a very limited service area.

Figure 20, Transportation to Work, 2014

	Number	Percent
Total	71,070	100.0%
Drove alone	53,532	75.3%
Carpooled	3,244	4.6%
Public transportation	6,657	9.4%
Bicycle	302	0.4%
Walked	974	1.4%
Other means	535	0.8%
Worked at home	5,826	8.2%

Source: American Community Survey, 2014

Two Focus Areas have limited public transit access

Pace bus stops in Naperville are shown on the map in the following page. Most of the City is within a ¼ mile of a bus stop, a distance commonly accepted as walkable for bus riders. However, most of the routes served by these stops only run during peak commuting hours, as explained above, and there is no fixed route service on Sunday. Few Focus Areas are served by routes that run all day. The Focus Area between 87th Street and 95th Street and much of the Focus Area in the northwest corner of the City are not served by any bus stops. However, many Focus Area residents in the northwest corner are within an acceptable walking distance of a Metra station.

Seniors and individuals with disabilities have the option of using Ride DuPage, a dial-a-ride curb-to-curb transit option that operates 24 hours a day, seven days a week. Ride DuPage serves most of DuPage County. The City's Senior Task Force is working to develop new programs to complement Ride DuPage's services.

The City of Naperville's Social Services Grant program provides funding to nonprofits who provide transportation for seniors, individuals with disabilities, youth, and other special populations. Approximately \$500,000 is made available each year to fund these and other social services projects. Additionally, a local non-profit, Loaves & Fishes CARES, provides a limited number of donated refurbished cars to low-income individuals. There is usually a waiting list for this program.

Several transportation programs in Naperville are targeted towards seniors, such as reduced fare cards and Rules of the Road classes to assist seniors with passing driver's license renewal examinations. Low-income seniors and individuals with disabilities are generally eligible for the Illinois Benefit Access Program, which provides free transit passes.

In addition to publicly supported transportation services, several private taxi services provide service in Naperville and surrounding communities. Ride-sharing companies also serve Naperville and most of the metro Chicago area. These transportation options tend to be more expensive than public transit, and wheelchair-accessible vehicles are not always available.

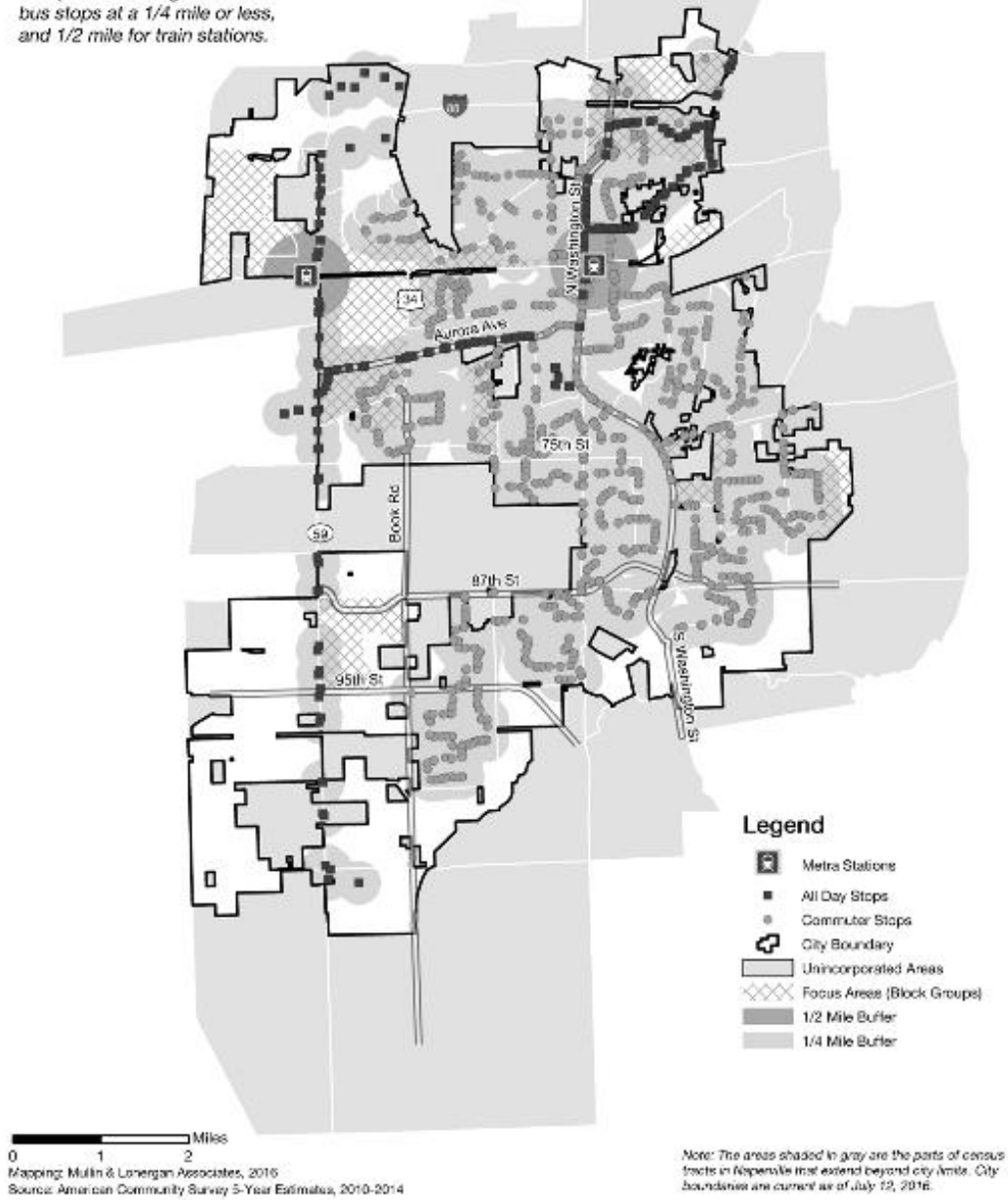
For low-income individuals who are not seniors and do not have a disability who likely have difficulty affording a personal vehicle, the limited transit options present a barrier for individuals with jobs outside a weekday 9-5 schedule. This may make it hard for such individuals to keep a steady job, reducing their opportunities to reach economic self-sufficiency.

Transit Facilities

City of Naperville AI



Transit experts usually set acceptable walking distances to bus stops at a 1/4 mile or less, and 1/2 mile for train stations.



PRIVATE SECTOR POLICY ANALYSIS

Homeownership can provide critical economic benefits for households and social benefits for the greater community. Unfettered access to affordable housing choice requires fair and equal access to the mortgage lending market regardless of income. It is also important from a fair housing perspective because the Fair Housing Act prohibits lenders from discriminating against members of the protected classes in granting mortgage loans, providing information on loans, imposing the terms and conditions of loans (such as interest rates and fees), conducting appraisals, and considering whether to purchase loans.

An analysis of mortgage applications and their outcomes can identify possible discriminatory lending practices and patterns in a community. It can also identify geographic clusters of high-cost lending. Home Mortgage Disclosure Act (HMDA) data contains records for all residential loan activity reported by banks pursuant to the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. Any commercial lending institution that makes five or more home mortgage loans annually must report all residential loan activity to the Federal Reserve Bank, including information on applications denied, withdrawn, or incomplete by race, sex, and income of the applicant. This information is used to determine whether financial institutions are serving the housing needs of their communities.

The most recent HMDA data available for Naperville is 2014. The data included for this analysis is for three years, 2012 through 2014, and constitutes all types of applications received by lenders: home purchase, refinancing, or home improvement mortgage applications for one-to-four-family dwellings and manufactured housing units across the entire City. The demographic and income information provided pertains to the primary applicant only. Co-applicants were not included in the analysis. The following figures summarize three years of HMDA data by race, ethnicity, and action taken on the applications, followed by detailed analysis.

Mortgage refinancing loans are the most common type of financing applied for in Naperville

Between 2012 and 2014, lenders in Naperville received 48,287 mortgage applications. Of these applications, 28.5% were for home purchases, 69.4% were for refinancing, and 2.1% were for home improvement equity loans. Refinancing loans were slightly less likely to originate (i.e. be approved by the lending institution and accepted by the applicant) than home purchase loans, with 58.9% of refinancing loans originating compared to 60.1% of home purchase loans. A lower proportion (53.5%) of home improvement loans were approved and accepted.

Home improvement loans were the most likely to be denied out of any other type of loan, with a denial rate of 24.8%. This may be because of the impact of the Great Recession, in which banks were reluctant to finance the addition of

equity into a house that was no longer appreciating according to expectations.

Applications for refinancing had a denial rate of 11.3%, compared to 7.2% for home purchase loan applications.

The most commonly sought type of financing was a conventional loan, a category that comprised 90.4% of all loan applications. A much smaller proportion of applications were for Federal Housing Administration (FHA) loans, a type of federal assistance that has historically benefited lower-income residents due to less stringent down payment and credit history requirements.

There were few applications for Veterans Administration (VA) loans or for financing backed by the Farm Services Administration or Rural Housing Service (FSA/RHS). FHA and VA loans both had the highest denial rate, at 12.0%. The denial rate for conventional loans was slightly lower, at 10.2%.

Almost all (99.5%) of the 48,287 applications in Naperville involved one-to-four family housing structures, with only one application requesting financing for a manufactured unit.

Figure 21, Cumulative Mortgage Data Summary Report, 2012- 2014

	Total Applications		Originated		Approved Not Accepted		Denied		Withdrawn/Incomplete	
	#	%	#	%	#	%	#	%	#	%
Loan Purpose										
Home purchase	13,752	28.5%	8,260	60.1%	395	2.9%	995	7.2%	1,104	8.0%
Home Improvement	1,005	2.1%	538	53.5%	34	3.4%	249	24.8%	79	7.9%
Refinancing	33,530	69.4%	19,742	58.9%	1,085	3.2%	3,784	11.3%	3,075	9.2%
Loan Type										
Conventional	43,654	90.4%	26,388	60.4%	1,396	3.2%	4,473	10.2%	3,773	8.6%
FHA	3,860	8.0%	1,744	45.2%	100	2.6%	462	12.0%	395	10.2%
VA	773	1.6%	408	52.8%	18	2.3%	93	12.0%	90	11.6%
Property Type										
One to four-family unit	48,242	99.9%	28,506	59.1%	1,512	3.1%	5,023	10.4%	4,257	8.8%
Manufactured housing	1	0.0%	1	100.0%	0	0.0%	0	0.0%	0	0.0%
Applicant Race										
Native American	90	0.2%	42	46.7%	7	7.8%	24	26.7%	11	12.2%
Asian	7,950	16.5%	5,513	69.3%	319	4.0%	844	10.6%	736	9.3%
Black	1,050	2.2%	596	56.8%	41	3.9%	202	19.2%	106	10.1%
Hawaiian	145	0.3%	80	55.2%	4	2.8%	19	13.1%	29	20.0%
White	30,792	63.8%	20,014	65.0%	971	3.2%	3,295	10.7%	2,668	8.7%
No information	3,898	8.1%	2,208	56.6%	164	4.2%	639	16.4%	706	18.1%
Not applicable	4,362	9.0%	87	2.0%	8	0.2%	5	0.1%	2	0.0%
Hispanic*	1,349	2.8%	784	58.1%	42	3.1%	228	16.9%	146	10.8%
Total	48,287	100.0%	28,540	59.1%	1,514	3.1%	5,028	10.4%	4,258	8.8%

Source: Federal Financial Institutions Examination Council

Note: Percentages in the Originated, Approved Not Accepted, Denied, and Withdrawn/Incomplete categories are calculated for each line item with the corresponding Total Applications figures. Percentages in the Total Applications categories are calculated from their respective total figures.

* Hispanic ethnicity is counted independently of race.

Most mortgages in Naperville are financed by large, commercial banks

The top ten lending institutions, as shown below, reviewed 49.0% of all mortgage applications and were responsible for 44.2% of originations within the City. Wells Fargo and JP Morgan Chase were by far the largest lending institutions, accounting for 18.0% of all originations collectively. No regional banks were among the top 10.

Figure 22, Top 10 Lenders, 2012-2014

Lending Institution	Applications		Originations	
	#	%	#	%
Wells Fargo	5,927	12.3%	2,493	8.7%
JP Morgan Chase	5,841	12.1%	2,649	9.3%
U.S. Bank	2,775	5.7%	1,727	6.1%
Guaranteed Rate, Inc.	2,033	4.2%	1,690	5.9%
Citibank	1,370	2.8%	774	2.7%
PNC Bank	1,313	2.7%	940	3.3%
Bank of America	1,250	2.6%	775	2.7%
Quicken Loans	1,144	2.4%	892	3.1%
Fifth Third Mortgage Co.	1,063	2.2%	687	2.4%
Citimortgage	966	2.0%	0	0.0%
Subtotal	23,682	49.0%	12,627	44.2%

Source: Federal Financial Institutions Examination Council

Black and Hispanic households are underrepresented in the loan applicant pool

The racial and ethnic composition of loan applicants differs slightly from the City's general demographic distribution. While 4.8% of all Naperville households in 2014 were Black, only 2.2% of the loan applications for which racial/ethnic data was reported were submitted by Black applicants. Similarly, Hispanic households comprised 4.7% of all households, but only 2.8% of applicants; and White households accounted for 78.3% of the total households in Naperville but 68.3% of loan applicants with reported racial/ethnic data. These numbers might

be slightly skewed by the 8.1% of applications for which no information was provided.

Loan application types differed across racial and ethnic groups as well. Refinancing was the predominant application purpose across all racial and ethnic groups. Black residents were slightly more likely to apply for home purchase loans, while Asian residents were least likely to apply for home improvement loans.

Mortgage denial rates have increased since 2012, but the number of loan applications has decreased

During the three-year study period, denial rates increased while the number of loan applications decreased, dropping from 22,308 applications in 2012 to 9,760 applications in 2014. Denial rates ranged from a low of 9.8% in 2012 to a high of 11.5% in 2014. This is reflective of the national trend following the subprime mortgage crisis, in which banks have strictly tightened access to credit.

Black households were more likely to be denied

The denial rate for Black applicants was 19.2%, which is significantly higher than the average of 10.6% for Asian applicants and 10.7% for White applicants. Hispanic residents also had a high denial rate at 16.9%. Native Americans had the highest denial rate, at 26.7%.

These patterns hold true at all income levels. Upper-income black applicants had a denial rate of 18.7%, compared to 9.4% for both White and Asian loan applicants. Denials by income are shown in *Figure 23* below.

The reasons for mortgage denial also varied by race and ethnicity. Black, Asian, and Hispanic residents were most likely to be denied due to a high debt-to-income ratio, while White applicants were most likely to be denied due to insufficient collateral.

SUMMARY

Loan originations vary greatly in Naperville by income, and race and ethnicity. Black and Hispanic applicants slightly underrepresented in the loan applicant pool. Non-White applicants, except for Asian residents, are more likely to be denied when applying for a mortgage.

Figure 23, Denial by Income

		Total	White	Black	Asian	Other**	No data	Hispanic*
Lower-Income	Total Applications	5,003	3,628	150	526	41	477	245
	Denials	1,033	712	38	139	12	132	71
	% Denied	20.6%	19.6%	25.3%	26.4%	29.3%	27.7%	29.0%
Upper-Income	Total Applications	38,745	26,002	825	7,281	185	3,241	1,034
	Denials	3,789	2,449	154	684	30	472	147
	% Denied	9.8%	9.4%	18.7%	9.4%	16.2%	14.6%	14.2%
Total	Total Applications	48,287	30,792	1,050	7,950	235	8,260	1,349
	Denials	5,028	3,295	202	844	43	644	228
	% Denied	10.4%	10.7%	19.2%	10.6%	18.3%	7.8%	16.9%

Source: Federal Financial Institutions Examination Council

* Hispanic ethnicity is counted independently of race.

**Small sample size may make analysis unreliable.

Figure 24, Reasons for Denial

	Total	White	Black	Asian	Other	No Info	Hispanic*
Collateral	20.8%	21.6%	13.9%	19.9%	14.0%	21.0%	14.0%
Incomplete Application	17.3%	17.7%	10.9%	17.1%	9.3%	18.6%	12.7%
Debt/Income Ratio	20.3%	19.6%	20.3%	21.1%	32.6%	22.4%	25.9%
Other	8.5%	8.1%	8.9%	11.0%	7.0%	7.3%	7.0%
No Reason Given**	13.5%	14.4%	18.8%	11.3%	14.0%	9.9%	19.7%
Credit History	11.2%	11.0%	22.8%	7.0%	18.6%	13.8%	14.9%
Unverifiable Information	4.0%	3.6%	1.0%	6.8%	2.3%	3.9%	3.5%
Insufficient Cash	2.5%	2.6%	2.0%	3.0%	2.3%	1.7%	1.8%
Employment History	1.5%	1.3%	1.5%	2.7%	0.0%	1.1%	0.4%
Insurance Denied	0.1%	0.1%	0.0%	0.2%	0.0%	0.2%	0.0%

Source: Federal Financial Institutions Examination Council

* Hispanic ethnicity is counted independently of race

**No Reason Given* means that the lender did not provide a reason for denial when inputting data.

Disability and Access

INTRODUCTION

This section reviews policies that affect the accessibility of housing and community facilities in Naperville for persons with disabilities.

KEY CONCLUSIONS

- The City of Naperville requires all new public facilities and multi-family developments to be accessible.
- The City has made accessibility a priority through the development and continued implementation of ADA transition plans for rights-of-way and public facilities.
- The City of Naperville's Social Services Grant Program provides funding to organizations that serve individuals with disabilities

POLICIES

From a regulatory standpoint, local government measures define the range and density of housing resources that can be introduced in a community. Housing quality and accessibility standards are enforced through the local building code and inspections procedures.

Federal housing regulations specify that residential structures having at least four multi-family dwelling units include features of accessible and adaptable design. Such features include:

- Accessible building entrance on an accessible route
- Accessible and usable common and public use areas
- Usable doors
- Accessible route into and through the covered dwelling unit
- Light switches, electrical outlets, thermostats and environmental controls in accessible locations
- Reinforced walls for grab bars
- Usable kitchens and bathrooms

The requirements apply regardless of whether the structures are privately owned or publicly assisted. Examples of these regulations include Section 504 of the Rehabilitation Act of 1973 and the federal Fair Housing Act.

The City of Naperville requires all new public facilities and multi-family developments to be accessible

The City of Naperville follows the 2012 edition of the International Codes, in addition to several amendments. One of these amendments, the Illinois Accessibility Code, deals specifically with access issues. This code requires new multi-family housing construction to have accessible common use spaces, public spaces, and site improvements. At least 20% of units must be "adaptable," which the code defines as units "...designed and constructed so they may, upon application by initial occupant, be converted to accessible units, with a minimum of structural changes, to meet

the needs of different types of environmentally limited persons...”.

The code requires public facilities to be accessible on all floors. Naperville's Code Enforcement Division enforces all building code regulations within the City.

The City has made accessibility a priority through the development and continued implementation of ADA transition plans for rights-of-way and public facilities.

Naperville's *ADA Transition Plan – Public Rights of Way and Sidewalks*, was last updated in 2012. The implementation of this plan is administered by the City's Transportation, Engineering, and Development Business Group (TED). The plans' goals are listed below.

Years 1 -2

- Seek to eliminate all non-ramped curbs
- Seek to make most signalized intersection push buttons reachable from sidewalk
- Seek to implement Audible Pedestrian Signals (APS) per policy
- Seek to incorporate ADA work into all construction programs as applicable
- Seek to incorporate better accessibility during construction into permit work
- Seek to improve access to ADA training resources

Years 3 - 5

- Seek to install detectable warnings on all arterial intersections
- In the CBD, seek to install detectable warnings at all

commercial driveways and alleys that have a traffic control device or operate as a street and at all intersections that allow pedestrian crossings

- Seek to identify and plan correction/improvement of extreme slope locations
- Prioritize infrastructure that is considered physically substandard for replacement using existing funding sources

Major accomplishments since the updated plan was adopted by City Council include:

- From 2013-2015, 900 curb ramps were upgraded to current ADA standards
- From 2013-2015, 44 signalized intersections were improved

The City expects to update the plan in 2017 and continue with its implementation.

The City's *ADA Facility Transition Plan* was adopted by City Council in 2016. This plan focuses on improving the accessibility of facilities owned by the City of Naperville. Recommended improvements were prioritized based on safety, facility use, accessibility, estimated cost, and project complexity. Projects to be implemented include:

- Parking lot accessibility improvements
- Interior accessibility improvements at the train stations
- Fire alarm replacement at the Van Buren Parking Deck
- Accessibility improvements to City Council Chambers

The City of Naperville's Social Services Grant Program provides funding to organizations that serve individuals with disabilities

Through its Social Services Grant Program, the City of Naperville makes \$500,000 available annually for non-profit organizations who provide services that meet one or more of the following objectives:

- Emergency services
- Seniors
- Youth
- Special Populations (e.g. individuals with disabilities, the homeless, veterans)
- Self-Sufficiency Projects

Transportation projects related to these objectives are also eligible. Nonprofit organizations providing transportation services to the disabled have been funded through this grant program in the past, and the City expects to continue to receive eligible applications for such services in the future.

In addition to improving transportation options for individuals with disabilities, this funding has been used to promote mental health awareness and access, replace sidewalks, provide meal delivery for home-bound seniors, providing substance abuse recovery services, and several other activities that assist those with disabilities.

Fair Housing Enforcement, Outreach, and Resources

INTRODUCTION

This section of the AI reviews fair housing capacity in Naperville, including advocacy organizations and jurisdictional monitoring and enforcement of local fair housing laws. This section also analyzes the existence of fair housing complaints and the existence of any fair housing discrimination suits filed by the United States Department of Justice or private plaintiffs in addition to the identification of other fair housing concerns or problems.

FAIR HOUSING COMPLIANCE AND INFRASTRUCTURE

U.S. Department of Housing and Urban Development

HUD's Office of Fair Housing and Equal Opportunity (FHEO) receives complaints by households regarding alleged violations of the Fair Housing Act. Fair housing complaints originating in Naperville were obtained and analyzed for a period spanning 2008 to 2016. In total, 26 complaints originating in Naperville were filed with HUD in this time period. Only one of these complaints was not referred to and handled by the Illinois Department of Human Rights (IDHR). This complaint, based on familial status, was resolved in 2008 after settlement.

Illinois Department of Human Rights

The Illinois Department of Human Rights (IDHR) is the state agency responsible for enforcing the Illinois Human Rights Act (IHRA). The IHRA prohibits discrimination in real estate transactions on the basis of race, color, religion, sex (including sexual harassment), pregnancy, national origin, ancestry, age (40 and over), order of protection status, marital status, sexual orientation (including gender-related identity), military discharge status, disability, or familial status.

Consequently, Illinois residents have more protection under State law than under federal law in the area of housing discrimination.

Under the IHRA, real estate transactions include the sale, exchange, rental or lease of real property, the brokering or appraising of residential real property, and the making or purchasing of loans or providing other financial assistance for purchasing, constructing, improving, repairing or maintaining a dwelling or secured by residential real estate.

The IHRA has been determined by HUD to be substantially equivalent to the federal Fair Housing Act. This means that the IHRA provides substantive rights, procedures, remedies and judicial review provisions that are substantially equivalent to the federal Fair Housing Act. As a result, HUD will refer complaints of housing

discrimination that it receives from Illinois to the Illinois Department of Human Rights for investigation.

IDHR accepts and processes complaints of housing discrimination, and conducts an investigation of the charges. If substantial evidence of a violation of the Illinois IHRA is found, IDHR will attempt to resolve the dispute through settlement discussions. Should conciliation fail, IDHR will file a complaint with the Illinois Human Rights Commission (HRC). Parties may also elect to have their claims decided in a Circuit Court of Illinois. If the complaint remains with the Illinois HRC, the case is scheduled for a public hearing before an administrative law judge.

The Illinois HRC is authorized under the Illinois HRA and provides a neutral forum for resolving complaints of discrimination filed under the Illinois HRA. The primary responsibility of the HRC is to make impartial determinations of whether there has been unlawful discrimination as defined by the IHRA. The HRC fights discrimination by investigating and resolving complaints through reconciliation by mediators and conciliators, and conducting a multi-faceted public education program.

A total of 15 housing complaints were filed with IDHR between 2008 and 2016, averaging to about two complaints annually. No complaints were filed in 2011 and four complaints were filed in 2010. The majority of complaints filed with IDHR were on the basis of disability and/or race. Three cases were resolved through a private settlement, likely indicating that discrimination did occur. These cases were based on disability, national origin, and race.

Complaints filed with IDHR are summarized in *Figure 25*. Abbreviations used are:

- AW: Adjusted and withdrawn (private settlement)
- DEF: Default (of the respondent due to failure to provide a verified response)
- LSE: Lack of substantial evidence
- WD: Withdrawn by complainant
- N/A: Case is still open

Figure 25, IDHR Housing Complaints, 2008-2016

Filing Date	Finding	Closure Date	Basis and Issues
4/19/2016	N/A	N/A	Physical Disability (Other)
8/27/2015	LSE	N/A	Retaliation (Other)
10/2/2014	AW	12/17/2014	Mental Disability (Other); National Origin, Mexico; Retaliation (Other)
6/3/2014	LSE	7/7/2015	Family Status; Mental Disability (Other); Physical Disability (Other); Race, Black
2/24/2014	LSE	N/A	Physical Disability, Mobility Impairment
7/12/2013	LSE	4/11/2014	Race, Black
11/20/2012	DEF/LSE	N/A	Sexual Orientation, Homosexual
5/4/2010	LSE	1/6/2012	Family Status; Mental Disability, Learning Disability; Physical Disability, Respiratory Disorder; Race, Black
3/16/2010	LSE	1/21/2011	Family Status; National Origin, Puerto Rico; Sex Discrimination (Other)
3/5/2010	LSE	4/26/2011	Race, Black
2/9/2010	AW	6/4/2010	Physical Disability (Other)
10/7/2009	AW	4/1/2010	Physical Disability (Other); Race, Black
3/23/2009	LSE	4/12/2010	Physical Disability (Other)
5/19/2008	WD	7/22/2008	Race, Black
4/28/2008	LSE	11/10/2008	Physical Disability (Other); Race, Black

Source: Illinois Department of Human Relations, 2008-2016

HOPE Fair Housing Center

HOPE Fair Housing Center serves over 30 counties in Northern and North Central Illinois, including DuPage County. The portion of Naperville within Will County is also served by HOPE. HOPE participates in HUD's Fair Housing Assistance Program (FHAP), which allows the agency the opportunity to receive funding to support a variety of fair housing administrative and enforcement activities, including education, training, outreach, enforcement, and advocacy. HOPE has provided training to the City's Housing Advisory Commission in the past but not in recent years due to lack of funding. HOPE investigates claims of housing discrimination and assists complainants with filing complaints.

Complaints filed with HOPE are summarized on the following page. RA/RM refers to a case in which the requested reasonable accommodation or modification was made. An administrative closure refers to the closure of a case for one of the following reasons:

- **Failure to Cooperate:** The investigation cannot be completed because the complainant fails or refuses to respond to reasonable requests for information.
- **Inability to Locate:** The investigation requires information from the complainant and the complainant cannot be located.
- **Withdrawal without Resolution:** The complainant decides not to proceed with or participate in the investigation.

A total of 39 complaints were filed with HOPE between 2012 and 2016, the only

years for which data are available.

Throughout this period, an average of nine complaints were filed per year, ranging from five complaints filed in 2015 to 14 complaints filed in 2013. The most frequently reported basis for discrimination was disability, with 23 alleged instances of discrimination, followed by race and familial status with 12 and seven alleged instances of discrimination, respectively.

Housing discrimination based on source of income was alleged in six separate complaints filed with HOPE. Most of these coincided with other bases of housing discrimination. According to HOPE Fair Housing staff, these instances primarily involve individuals with Housing Choice Vouchers or Veterans Affairs Supportive Housing (VASH) vouchers. HOPE staff stated that they have received complaints from voucher recipients who have called landlords and either been hung up on or told "no vouchers accepted" when they inquire about available rental units. This indicates that there is a need to educate landlords on their obligations to comply with the Fair Housing Ordinance, which was amended in October 2016 to define "source of income."

Figure 26, HOPE Housing Complaints in Naperville, 2012-2016

Intake Date	Resolution	Protected bases	Closure Date
7/12/2016	N/A	Race, Familial status, National origin, Other, Age	N/A
6/27/2016	N/A	Disability, Other, Age	N/A
2/19/2016	Counseled and closed - No fair housing issue	Race	2/11/2016
5/18/2015	Fair Housing organization administratively closed	Race	5/31/2015
5/15/2015	Fair Housing organization administratively closed	Race, Disability	6/24/2015
4/13/2015	Fair Housing organization administratively closed	Disability	4/30/2015
2/23/2015	Directly assisted in RA/RM	Disability, Other	4/1/2015
2/18/2015	Fair Housing organization administratively closed	Disability	4/30/2015
10/28/2014	Fair Housing organization administratively closed	Race, Color	10/31/2014
9/9/2014	Fair Housing organization administratively closed	Race, Color	11/15/2014
7/25/2014	Fair Housing organization administratively closed	Other, Source of income	8/4/2014
7/22/2014	Fair Housing organization administratively closed	Race, Color, Disability, Other, Source of income	8/15/2014
7/21/2014	Pending with other	Familial status	7/24/2014
6/26/2014	Pending with other	Disability	8/15/2014
6/20/2014	Directly assisted in RA/RM	Disability, Other, Source of income	6/25/2014
5/8/2014	Counseled and closed - No fair housing issue	Disability, Other	5/8/2015
5/2/2014	Conciliated/settled by other	Color, Sex, National origin, Disability, Other, Age	5/8/2014
4/4/2014	Pending with local organization	Race, Color, Familial status, Other, Source of income	4/4/2014
2/23/2014	Fair Housing organization administratively closed	Disability, Other, Age	4/1/2014
12/4/2013	Fair Housing organization administratively closed	Disability	12/12/2013
11/18/2013	Directly assisted in RA/RM, Pending with other	Disability	11/21/2013
11/18/2013	Fair Housing organization administratively closed	Disability	11/18/2013
10/25/2013	Pending with other	Disability	1/7/2014
10/17/2013	Directly assisted in RA/RM	Disability, Other, Age	10/30/2013
9/15/2013	Pending with private attorney, Pending with other	Disability	N/A
7/25/2013	Fair Housing organization administratively closed	Disability	9/30/2013

CONTINUED ON NEXT PAGE

Figure 26, HOPE Housing Complaints in Naperville, 2012-2016 (continued)

Intake Date	Resolution	Protected bases	Closure Date
7/24/2013	Pending with local organization	Disability	N/A
7/18/2013	Fair Housing organization administratively closed	Race, Color, Familial status	9/1/2013
7/17/2013	Fair Housing organization administratively closed	Race	9/14/2013
6/18/2013	Fair Housing organization administratively closed	Other, Source of income	6/18/2013
4/29/2013	Fair Housing organization administratively closed	Familial status, National origin	5/30/2013
1/24/2013	Fair Housing organization administratively closed	Race	1/24/2013
1/24/2013	Counseled and closed - No fair housing issue	Race	1/24/2013
11/14/2012	Fair Housing organization administratively closed	National origin, Disability	3/13/2013
11/13/2012	Fair Housing organization administratively closed	Disability, Other, Source of income	11/13/2012
10/13/2012	Fair Housing organization administratively closed	Familial status	1/7/2014
10/1/2012	Fair Housing organization administratively closed	Disability	2/2/2016
6/11/2012	Fair Housing organization administratively closed	Disability, Other, Age	1/2/2013
1/5/2012	Fair Housing organization administratively closed	Familial status	1/5/2012

Source: HOPE Fair Housing Center, 2012-2016

Naperville Fair Housing Ordinance

The City of Naperville's Fair Housing Ordinance, which was adopted in 1992 and updated in 2000, states:

"It is the policy of the City that all individuals shall have an equal opportunity to purchase, own, lease, and occupy housing within the City without being discriminated against based on race, color, religion, sex, national origin, ancestry, age, marital status, familial status, physical or mental handicap or disability, military status, sexual orientation, or legal source of income. It is also the policy of the City that members of those protected classes shall have the right to be free from discriminatory practices when engaging in real estate transactions and seeking access to financial credit for real estate transactions."

Source: City of Naperville Municipal Code, Section 10-5.

The City defines legal source of income as "any lawful income, subsidy or benefit with which an individual supports himself or herself and his or her dependents, including but not limited to, child support, maintenance, and any federal, state or local public assistance, medical assistance or rental assistance program". Having source of income as a protected class means that lenders must consider all legal sources of income when calculating debt-to-income ratios, and landlords cannot deny an applicant based on insufficient income if they have not included all lawful income in the applicant's income calculations when determining the ability to pay the required rent.

Under the City's Fair Housing Ordinance, housing discrimination

complaints in Naperville may be filed with the City's Housing Advisory Commission (HAC).

The HAC was established in 1997 and its official duties are defined in the City's Municipal Code, Section 2-5-3 as follows:

1. Assist the City Council in the development and implementation of a City policy related to housing.
2. Encourage the maintenance of existing sound housing and rehabilitation of deteriorating housing.
3. Assist in the identification and development of available resources related to housing.
4. Study and consider such other matters as may be referred to it from time to time by City Council.
5. To receive, investigate and process, as hereinafter set forth, complaints alleging violations of the provisions of Title 10, Chapter 5 of this Code.
6. To seek conciliation of, hold hearings on, and make findings of fact with respect to any complaint received.
7. To report to City Council upon its findings of fact and recommendations
8. To render a written annual report to the City Council of its activities, and its recommendations, if any, with respect to the enforcement of Title 10, Chapter 5 of this Code; and to render such other reports as the City Council may request.
9. To keep a separate file of every complaint filed, and keep an accurate record of all its proceedings.

Complaints filed with HAC must be made within 90 days of the alleged unlawful act that forms the basis of the

complaint. Complaint forms are available on the City's website.

The City's HAC has not received any housing complaints within recent years. It meets every other month to discuss issues related to fair housing.

SUMMARY OF COMPLAINTS

A lack of filed complaints does not necessarily indicate a lack of discrimination. Some persons may not file complaints because they are not aware of how to file a complaint or where to go to file a complaint. Discriminatory practices can be subtle and may not be detected by someone who does not have the benefit of comparing his treatment with that of another home seeker.

Other times, persons may be aware that they are being discriminated against, but they may not be aware that the discrimination is against the law and that there are legal remedies to address the discrimination. Also, households may be more interested in achieving their first priority of finding decent housing and may prefer to avoid going through the process of filing a complaint or following through with any legal action after filing a complaint. This means that cases that are closed without a resolution, such as administratively closed cases, do not necessarily mean that discrimination has not occurred.

In Naperville, the majority of housing complaints filed were closed administratively or due to a lack of substantial evidence. Disability was the most common alleged complaint basis, followed by race/color of skin and familial status.

Figure 27 summarizes complaints from all four sources. The table includes some duplicates as several complaints involved more than one basis of discrimination.

Figure 27, Total Bases for Alleged Discrimination

Protected Class	Complaints
Disability	32
Race/Color	25
Familial Status	11
National Origin	6
Age	6
Source of Income	6
Sex	2
Sexual Orientation	1
TOTAL*	89

Source: HOPE Fair Housing Center, 2012-2016; HUD FHEO, 2008-2016; IDHR, 2008-2016.

*Includes duplicates, as several complaints involve more than one basis of discrimination.

Fair Housing Goals and Priorities

INTRODUCTION

The following impediments were identified as factors that contribute to housing discrimination in Naperville. Each contributing factor is associated with a goal developed to reduce the impediment. These items, along with the *Assessment of Past Goals*, form the basis for the City's Fair Housing Action Plan.

The Fair Housing Action Plan describes specific steps that the City should take to eliminate impediments to fair housing choice in Naperville, and estimates the cost, complexity, and timeframe associated with implementing each action item. Potential partners and funding sources are identified to facilitate the implementation of the recommended initiatives. As many contributing factors are outside of Naperville's authority – for example, the City has no influence over the number of available Housing Choice Vouchers – only action steps that can be taken by municipal entities are described.

An action item's **complexity** is assessed based on the level of coordination and technical expertise necessary to implement the initiative. Items with a "Low" score can be implemented with little need for public coordination or technical assistance. Conversely, items with a "High" score will require significant public involvement and coordination with other

City departments and/or external agencies, and likely require special technical assistance. Action items with a score of "Medium" fall somewhere in between.

The **cost** of implementing each action item is estimated using the following scale:

- Low – Less than \$1,000
- Medium - \$1,000 to \$10,000
- High – Greater than \$10,000

The **timeframe** associated with implementing each action item is estimated using the following scale:

- Short – Less than one year
- Medium – One to three years
- Long – Greater than three years

IMPEDIMENTS TO FAIR HOUSING CHOICE

Impediment #1: Fair housing education and outreach efforts continue to be necessary to educate residents about their rights and responsibilities and to deter housing discrimination as demonstrated by:

- *Opposition to affordable housing developments for families with children mentioned by stakeholders and survey respondents*

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- *Lack of knowledge among landlords about reasonable accommodations for persons with disabilities*
- *Housing discrimination complaints alleging discrimination on the basis of disability, race and familial status*
- *Lack of knowledge among residents and municipal officials about what constitutes illegal discrimination under the Fair Housing Act*

Goal: Increase fair housing education and outreach opportunities available to residents; landlords, property management agents and real estate professionals; City staff, appointed boards and commissions; and, City municipal leaders.

Impediment #2: Persons with limited English proficiency may not be able to fully access Naperville's housing and community development programs and services for which they are eligible due to language barriers

Goal: Ensure that persons with limited English proficiency can access the City's affordable housing and community development services and programs

Impediment #3: An inadequate supply of affordable housing throughout Naperville exists as demonstrated by:

- *High demand for affordable housing that is also accessible to persons with disabilities*
- *36.9% of renters (4,310 renter households) and 25.5% of homeowners (9,635 homeowner*

households) were cost-burdened in 2013 and paying more than 30% of their income on housing expenses

- *59.9% of all renter households (5,248 households) cannot afford the median gross rent of \$1,290 in Naperville*
- *Housing Choice Voucher payment standards are often inadequate for two-bedroom housing units in Naperville*
- *The difficulty that social service agencies have in securing affordable housing for the elderly, large families and persons with disabilities*

Goal: Expand affordable housing choice throughout Naperville to meet existing and future market demand for members of the protected classes.

Impediment #4: The public transportation system within Naperville restricts housing choice and access to employment and education opportunities for residents who are transit-dependent

Goal: Advocate for public transit systems to connect lower income neighborhoods and affordable housing communities with major employment centers and education facilities

FAIR HOUSING ACTION PLAN

Goal	Action Items	Complexity	Cost	Funding	Timeframe	Implementation Partners
Increase fair housing education and outreach opportunities available to residents; landlords, property management agents and real estate professionals; City staff, appointed boards and commissions; and, City municipal leaders	1A. Designate the Housing Advisory Commission as the entity responsible for overseeing the implementation of this Fair Housing Action Plan with support from the staff liaison to the Housing Advisory Commission, the Transportation, Engineering, and Development (TED) Business Group and the City Clerk's Office	Low	Low	City	Short	Lead: City Clerk's Office Partners: Housing Advisory Commission, TED, Senior Task Force (STF), Accessible Community Task Force (ACT), Advisory Commission on Disabilities (ACD)
	1B. Contract with a Qualified Fair Housing Enforcement Organization to conduct paired real estate testing in the rental market based on source of income, disability and race	Low	Medium	CDBG	Short	Lead: City Clerk's Office Partners: HUD-certified fair housing organizations, Housing Advisory Commission
	1C. Contract with a Qualified Fair Housing Enforcement Organization to conduct fair housing education and outreach workshops for residents, landlords, real estate agents, property management agents, lenders, City staff, City Council, and Cityboards and commissions	Low	Medium	CDBG	Short	Lead: City Clerk's Office Partners: HUD-certified fair housing organizations, Housing Advisory Commission, STF, ACT, ACD
	1D. Contract with a HUD-certified homebuyer counseling organization to provide homebuyer education and financial management training, especially for groups with low homeownership rates	Low	Medium	CDBG	Short	Lead: City Clerk's Office Partners: HUD-certified housing counseling agency, Housing Advisory Commission
	1E. The City will review its procedures for investigating all housing discrimination complaints to ensure they are in full compliance with applicable laws and reflect best practices for investigation and resolution of complaints	Low	Medium	City	Short	Lead: Housing Advisory Commission Partners: City Clerk's Office, City Council, HUD-certified fair housing organizations
	1F. Amend Title 10, Section 5.510-5-6-1 of the Naperville Municipal Code to allow a housing discrimination complaint to be investigated as long as it is filed within one year of the alleged unlawful act that forms the basis of the complaint	Medium	Low	City	Medium	Lead: Housing Advisory Commission Partners: City Clerk's Office, City Council
	1G. Annually review progress on achieving the AI goals and objectives	Low	Low	CDBG	Long	Lead: Housing Advisory Commission Partners: City Clerk's Office, City Council

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FAIR HOUSING ACTION PLAN (continued)

Goal	Action Items	Complexity	Cost	Funding	Timeframe	Implementation Partners
Ensure that persons with limited English proficiency can access the City's affordable housing and community development services and programs	2A. Develop and implement a Language Access Plan that conforms to HUD'S Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (72 Fed. Reg. 13, Jan. 22, 2007)	Medium	Medium	CDBG	Medium	Lead: City Clerk's Office Partners: TED, Community advocacy groups such as Naperville Indian Community Outreach
	3A. Prepare an Affordable Housing Plan to determine the degree to which affordable housing demand exceeds current housing supply, implement any recommendations as supplemental initiatives to this Fair Housing Action Plan	Medium	High	City	Medium	Lead: TED Partners: City Clerk's Office, Housing Advisory Commission, STF, ACT, ADC
Expand affordable housing choice throughout Naperville to meet existing and future market demand for members of the protected classes	3B. Fully integrate planning for affordable housing and fair housing into the comprehensive planning and implementation process with plan amendments	Medium	Low	City	Long	Lead: TED Partners: City Clerk's Office, Housing Advisory Commission, STF, ACT, ADC Planning Commission
	3C. Identify parcels of land appropriate for rezoning for multi-family development; amend the City Zoning Map to rezone these parcels and create opportunities for new affordable housing development	High	Low	City	Long	Lead: TED Partners: City Clerk's Office, Planning Commission, Housing Advisory Commission, STF, ACT, ADC
	3D. Consider reasonable accommodation requests as a new policy established through this AI, including but not limited to zoning ordinance provisions.	Low	Low	City	Short	Lead: TED Partners: City Clerk's Office

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FAIR HOUSING ACTION PLAN (continued)

Goal	Action Items	Complexity	Cost	Funding	Timeframe	Implementation Partners
Advocate for public transit systems to connect lower income neighborhoods and affordable housing communities with major employment centers and education facilities	4A. Work with social service providers to better understand the transportation needs of the protected classes and other lower income households	Medium	Low	City	Medium	Lead: TED Partners: City Clerk's Office, STF, ACT, ADC, social service providers, transit providers
	4B. Establish a formal policy of encouraging all local units of government and social service agencies, including the City, Park District, Townships and Counties, to locate public service facilities on bus lines, whenever possible.	Medium	Low	City	Medium	Lead: TED Partners: City Clerk's Office, City Council, STF, ACT, ACD, transit providers, social service providers
	4C. Work with Chicago RTA and PACE to coordinate future transit route development with the review and approval process for affordable housing development	High	Medium	City	Long	Lead: TED Partners: City Clerk's Office, Planning Commission, Housing Advisory Commission, STF, ACT, ACD, transit providers

Appendix

Notes on Methodology

Data Documentation

Sign-in Sheets from Public Engagement Activities

NOTES ON METHODOLOGY

The City of Naperville's municipal boundaries do not align with census geographic units. Consequently, several census tracts and block groups cover unincorporated areas and portions of other municipalities in addition to Naperville, and the statistics that correspond to these areas reflect the entire population of the geographic unit and not just the population that lives in Naperville. To alleviate some of the data issues resulting from this discrepancy, data corresponding to block groups and census tracts with no residential units in Naperville were removed from the analysis. These areas are shown in white on the maps.

**AFFIRMATIVELY FURTHERING FAIR HOUSING (AFFH) DATA
DOCUMENTATION**

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I. Overview

HUD has asked its program participants to take a more serious look at their fair housing context. The agency is taking a more active role as a dynamic partner by providing data and analytical tools to help grantees quantify and interpret particular fair housing dynamics. HUD provides a dynamic online mapping and data-generating tool for communities to aid in their completion of the Assessment of Fair Housing using the Assessment Tool. HUD accompanies this tool with guidance tailored to accommodate program participants of all capacity levels.

This document outlines the data, methods, and sources behind the tool that HUD provides. It describes demographic, socioeconomic, and housing characteristics, as well as access to opportunity indicators through a series of Opportunity Indices.

This data package is not exhaustive and should not supplant local data or knowledge that is more robust. It represents a baseline effort to assemble consistent, nationally available data from a variety of sources compiled into one location.

II. Data Sources

Table 1 lists data sources, years, and the spatial scale used to populate the tables and maps in the AFFH Tool.

Table 1: Data Sources

Data Category	Variables	Geographic level or Primary Sampling Unit	Tables	Maps	Sources and years
Demographics	Race/Ethnicity population in 2010	Block-group	1, 2, 4	1, 5-7, 9-14	Decennial Census, 2010
Demographics	Race/Ethnicity population in 2000 & 1990	Tract	2	2	Brown Longitudinal Tract Database (LTDB) based on decennial census data, 2000 & 1990
Demographics	Percent of race/ethnicity census tract	Tract	8	na	Decennial Census, 2010
Demographics	Limited English Proficiency (LEP) population; LEP languages; Foreign-born population; Foreign-born population place of birth (national origin)	Tract	1, 2, 4	3, 4, 8, 9-14	American Community Survey (ACS), 2006-2010; Brown Longitudinal Tract Database (LTDB) based on decennial census data, 2000 & 1990
Demographics	Disability Type population; Disabled population by Age	Tract	1, 13, 14	15, 16	American Community Survey (ACS), 2008-2012
Demographics	Population by Age, Sex, Family Type	Tract	1, 2, 4	9-14	Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) based on decennial census data, 2000 & 1990
Socioeconomic	Racially/Ethnically-Concentrated Areas of Poverty (R/ECAP)	Tract	4, 7	1-16	Decennial census (2010); American Community Survey (ACS), 2006-2010
Housing	Population, housing units, occupied housing units, race/ethnicity, age, disability status, household type, and household size by Housing Type	Development; Tract	5-7, 11, 15	na	Inventory Management System (IMS)/ PIH Information Center (PIC), 2013; Tenant Rental Assistance Certification System (TRACS), 2013
Housing	Low-Income Housing Tax Credit developments	Development	8	na	National Low-Income Housing Tax Credit (LIHTC) Database, 2013

Data Category	Variables	Geographic level or Primary Sampling Unit	Tables	Maps	Sources and years
Housing	Households with Housing Problems; Households with Severe Housing Problems; Households with Income Less than 31% of Area Median Income (AMI); Households with Severe Housing Cost Burden; Households with Housing Problems by Race, Household Type, Household Size	Tract	9, 10	7, 8	Comprehensive Housing Affordability Strategy (CHAS), 2007-2011
Opportunity Indices	Dissimilarity Index	Community Development Block Grant (CDBG); Core Based Statistical Area (CBSA)	3	na	Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) based on decennial census data, 2000 & 1990
Opportunity Indices	Low Poverty Index, Labor Market Engagement Index	Tract	12	11, 13	American Community Survey (ACS), 2006-2010
Opportunity Indices	School Proficiency Index	Block-group	12	9	Great Schools, 2012; Common Core of Data (4th grade enrollment and school addresses), 2012; School Attendance Boundary Information System (SABINS), 2012
Opportunity Indices	Low Transportation Cost Index; Transit Trips Index	Tract	12	12,17	Location Affordability Index (LAI) data, 2008-2012
Opportunity Indices	Jobs Proximity Index	Block-group	12	10	Longitudinal Employer-Household Dynamics (LEHD), 2010
Opportunity Indices	Environmental Health Index	Tract	12	14	National Air Toxics Assessment (NATA) data, 2005

III. Levels of Geography and Weights

The AFFH Tool includes data for all U.S. states, the District of Columbia, and Puerto Rico. Users may access data through the AFFH Tool at various spatial scales, including geo-boundaries of Census tracts, the Community Development Block Grant (CDBG) and the Core-based Statistical Area (CBSA). As shown in Table 1, most data in the AFFH Tool are at the Census tract or block-group levels. The selection of a spatial scale to use as the initial basis for each data element is primarily based on the lowest level in which HUD has faith in its accuracy. For example, data elements constructed from the American Community Survey (ACS) data are based on Census tract estimates rather than block-group estimates due to concerns about sampling errors.

Data displayed in the AFFH Tool map views are at the Census tract level. Data displayed in the report tables are aggregated from smaller geographic units (i.e. either the Census tract or block-group level) to the CDBG¹ and CBSA levels. As shown in Table 1, the AFFH data are from multiple sources in various years. In order to compile them into one mapping tool database, data issued or released at different years need to be adjusted to the same year. The Census tract and block-group boundaries in the AFFH Tool are based on those released by Census in 2010. The Tool incorporates minor changes indicated in the ACS "Geography Release Notes" for 2011 and 2012 on the Census Bureau website², resulting in boundaries and corresponding data adjusted to calendar year 2012. The CDBG boundaries are based on political jurisdiction boundaries for calendar year 2011. The CBSA boundaries are based on OMB 2013 definitions.

The CDBG level reflects the geographical boundaries for grantees that receive direct allocations of CDBG funds from HUD. CDBGs are not census-designated areas, which means that CDBG jurisdictional boundaries do not fall consistently along Census tracts or block-groups. A series of technical procedures were necessary to construct a crosswalk between census-designated areas and CDBGs. Census geographic identifiers at the summary level 070 (state-county-county subdivision-place/remainder) and summary level 080 (state-county-county subdivision-place/remainder-census tract) were matched to HUD CDBG geographic identifiers.

Weights

At the boundaries of CDBG jurisdictions, some Census tracts fell partially within the jurisdiction and partially outside of the jurisdiction. Data from these tracts were weighted by the share of the population within the CDBG boundary to approximate including only the portion of those tracts within the CDBG in aggregate figures reported at the CDBG level. In contrast, block groups were simply assigned to the CDBG that contained its centroid.

IV. Race/Ethnicity

Among other factors, the Fair Housing Act prohibits housing discrimination based on race. HUD offers information on both race and ethnicity. HUD provides data for non-Hispanic whites,

¹ CDBG jurisdictions in the AFFH Tool exclude non-entitlement jurisdictions.

² Tract changes between 2010 and 2011 are here:

http://www.census.gov/acs/www/data_documentation/2011_geography_release_notes/; Tract changes between 2011 and 2012 are here:

http://www.census.gov/acs/www/data_documentation/2012_geography_release_notes/

considering Hispanics of any race as a separate race/ethnic category that can experience housing discrimination differently than other groups. Similarly, the data provided for the other race groups – black, Asian and Pacific Islander, Native American, and other – also exclude information for people who identify as having Hispanic ethnicity. Other race/ethnicity data are discussed in sections IX and XI.

Data Source: American Community Survey (ACS) 2006-2010; Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) based on decennial census data, 2000 & 1990

Related Template Tables/Maps: Table 1, 2, 4; Map 1, 2, 5-7, 9-14

V. National Origin and Limited English Proficiency (LEP)

The Fair Housing Act also prohibits housing discrimination based on national origin. The AFFH Tool provides data for four indicators of national origin. The first two are the 10 most common places of birth of the foreign-born population by jurisdiction and region and the number and percentage of the population that is foreign-born. The second two indicators are the ten most common languages spoken at home (for the population age 5 years and over) for those who speak English “less than ‘very well,’” and the number and percentage of the population who speak English “less than very well.”

Data on national origin and LEP originate from the 2006-2010 American Community Survey and Brown Longitudinal Tract Database (LTDB) based on decennial census data, 2000 and 1990. Counts of each place of birth by tract were aggregated to the jurisdiction and regional level separately. Within these geographies, the counts for places of birth were ranked and the ten most populous groups were determined and are presented.

The 10 most common places of birth and LEP languages are displayed in the Template Tables, while the five most common are displayed in the Template Maps. HUD limits the number of categories for the maps in order to better visualize the most significant groups. National origin and LEP data were missing for Puerto Rico.

Data Source: American Community Survey (ACS) 2006-2010; Brown Longitudinal Tract Database (LTDB) based on decennial census data, 2000 & 1990.

Related Template Tables/Maps: Table 1, 2, 4; Map 3, 4, 8, 9-14

VI. Disability Status and Type

The Fair Housing Act prohibits housing discrimination of any person based on disability. The AFFH Tool provides information on disability type, disability status by age group, and disability status by housing type. The disability type and disability status by age group measures are from the ACS, while the measure of people with disabilities by housing type is from the PIC/TRACS data (see section IX). The definition of “disability” used by the Census Bureau may not be comparable to reporting requirements under HUD programs.

The disability type categories are: hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. These categories are based on a new set of disability questions introduced into the ACS in 2008 and are not comparable to disability type figures in prior years.

Data Source: American Community Survey (ACS), 2008-2012; Inventory Management System (IMS)/ PIH Information Center (PIC), 2013; Tenant Rental Assistance Certification System (TRACS), 2013

Related Template Tables/Maps: Table 1, 13, 14; Map 15, 16

VII. Sex

The Fair Housing Act prohibits housing discrimination of any person based on sex. The AFFH Tool provides information on male/female status.

Data Source: Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) based on decennial census data, 2000 & 1990

Related Template Tables/Maps: Table 1, 2

VIII. Families with Children and Age

The Fair Housing Act prohibits housing discrimination of any person based on familial status. The AFFH Tool provides information on families with children. Specifically, familial status is measured as the number and percentage of all families (with two or more related people in the household) that are families with children under age 18. The Tool also provides data on age group (under 18, 18-64, and 65+).

Data Source: Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) based on decennial census data, 2000 & 1990

Related Template Tables/Maps: Table 1, 2, 4; Map 9-14

IX. Households in Publicly Supported Housing

The AFFH Tool provides data on households within the following housing categories: Public Housing, Section 8 Project-based Rental Assistance (PBRA), other assisted housing multifamily properties, Section 8 Housing Choice Voucher (HCV) Program, and Low-Income Housing Tax Credit (LIHTC). The "Other HUD Multifamily" properties include properties funded through the Supportive Housing for the Elderly (Section 202), Supportive Housing for Persons with Disabilities (Section 811), Rental Housing Assistance (Section 236), Rent Supplement (Rent Supp), Rental Assistance Payment (RAP), and Below Market Interest Rates (BMIR) programs.

The sources for data on households in these housing types are:

- HCV: census tract-level data extract from the Family Report Form HUD-50058 (PIC)
- Public Housing: development-level data extract from the Family Report Form HUD-50058 (PIC)
- PBRA and other multifamily properties: development-level data extract from HUD-50059 (TRACS)
- LIHTC: National Low-Income Housing Tax Credit (LIHTC) Database

The Tool reports data by housing type differently depending on the report table. These details are outlined below:

Tables 5, 6, 11, and 15 present data on households in Public Housing, PBRA, other publicly supported housing multifamily properties, and HCV. Data on developments with fewer than 11 households reported or with fewer than 50 percent of occupied units reported at the CDBG and CBSA aggregations were omitted to ensure confidentiality.

Table 5 presents the total number of units in housing publicly supported programs and their share of the total number of housing units within CDBG jurisdictions. The denominator used in Table 5 is the total number of housing units in the 2010 census block-group aggregated at the CDBG level.

Table 6 presents data on the race and ethnicity of households in housing publicly supported programs. The race/ethnicity categories are non-Hispanic white, non-Hispanic black, Hispanic, and non-Hispanic Asian or Pacific Islander. Information on the race and ethnicity of households with incomes at or below 30 percent of the area median income (AMI) is from the Comprehensive Housing Affordability Strategy (CHAS) database.

Table 7 reports the following data on households in housing publicly supported programs within the CDBG jurisdiction: race/ethnicity (percent white, black, Hispanic, and Asian or Pacific Islander), percent of households with at least one member with a disability, and percent of households where the head or spouse is age 62 or older. The data in this table are presented separately for properties/households located within and outside of racially/ethnically-concentrated areas of poverty (detailed below in section X) within the CDBG jurisdiction.

Table 8 presents data on the composition of households assisted through Public Housing, PBRA, and other HUD multifamily properties. Population characteristics – race/ethnicity (white, black, Hispanic, Asian), households with children, and poverty rate – of the census tracts that contain assisted housing are also presented. Although information on households in LIHTC properties is not displayed in Table 8, the data on geographical coordinates for properties were used to identify the list of census tracts presented. Data on properties with fewer than 11 households reported or with fewer than 50 percent of occupied units reported at the development and at the Census tract aggregation were omitted to ensure confidentiality.

Tables 7 and 8 include only developments with precise spatial information, such as a rooftop location or the ZIP+4 centroid associated with the address. Developments with less precise spatial information are omitted because they cannot reliably be located to the correct street block or the correct side of the street block.

In conjunction with Tables 7 and 8, Maps 5 and 6 also include only developments with precise spatial information. Over 96 percent of Public Housing, PBRA, and other HUD multifamily properties and 84 percent of LIHTC properties have sufficient geographical information to be included in the tables and maps.

Tables 11 and 15 present data on unit size (households in 0-1 bedroom units, 2 bedroom units, and 3 or more bedroom units), households with children, and households where at least one member has a disability.

Data Source: Inventory Management System (IMS)/PIH Information Center (PIC), 2013; Tenant Rental Assistance Certification System (TRACS), 2013; National Low-Income Housing Tax Credit

(LIHTC) Database, 2013; Decennial Census, 2010; Comprehensive Housing Affordability Strategy (CHAS), 2007-2011

Related Template Tables/Maps: Table 5-8, 11, 15; Map 5, 6

X. R/ECAP

To assist communities in identifying racially or ethnically-concentrated areas of poverty (R/ECAPs), HUD has developed a census tract-based definition of R/ECAPs. The definition involves a racial/ethnic concentration threshold and a poverty test. The racial/ethnic concentration threshold is straightforward: R/ECAPs must have a non-white population of 50 percent or more. Regarding the poverty threshold, Wilson (1980) defines neighborhoods of “extreme poverty” as census tracts with 40 percent or more of individuals living at or below the poverty line. Because overall poverty levels are substantially lower in many parts of the country, HUD supplements this with an alternate criterion. Thus, a neighborhood can be a R/ECAP if it has a poverty rate that exceeds 40% or is three or more times the average tract poverty rate for the metropolitan/micropolitan area, whichever threshold is lower. Census tracts with this extreme poverty that satisfy the racial/ethnic concentration threshold are deemed R/ECAPs. This translates into the following equation:

$$R/ECAP_i = \text{yes ... if ...} \left\{ \begin{array}{l} PovRate_i \geq [3 * \mu_{PovRate}^{CBSA}] \\ \text{or} \\ PovRate_i \geq 0.4 \end{array} \right. \cup \left[\frac{(Pop_i - NHW_i)}{Pop_i} \right] \geq 0.50$$

Where i represents census tracts, $(\mu_{PovRate}^{CBSA})$ is the metropolitan/micropolitan (CBSA) mean tract poverty rate, $PovRate$ is the i th tract poverty rate, (NHW_i) is the non-Hispanic white population in tract i , and Pop is the population in tract i .

While this definition of R/ECAP works well for tracts in CBSAs, place outside of these geographies are unlikely to have racial or ethnic concentrations as high as 50 percent. In these areas, the racial/ethnic concentration threshold is set at 20 percent.

Data Source: Decennial census (2010); American Community Survey (ACS), 2006-2010; Brown Longitudinal Tract Database (LTDB) based on decennial census data, 2000 & 1990

Related Template Tables/Maps: Table 4, 7; Map 1-16

References:

Wilson, William J. (1980). *The Declining Significance of Race: Blacks and Changing American Institutions*. Chicago: University of Chicago Press.

XI. Housing Problems and Disproportionate Housing Need

To assist communities in describing disproportionate housing need in their geography, the AFFH Tool provides data identifying instances where housing problems or severe housing problems exist. The Tool presents housing problems overall, as well as variations by race/ethnicity, household type and household size. The race/ethnicity categories presented are non-Hispanic white, non-Hispanic black, Hispanic, non-Hispanic Asian or Pacific Islander, non-Hispanic Native American, and non-Hispanic other. The household type and size categories presented are family households of less than five people, family households of five or more people, and non-family households of any size.

Information on housing problems is drawn from CHAS, which demonstrate the extent of housing problems and housing needs, particularly for low-income households. The CHAS data are produced via custom tabulations of ACS data by the U.S. Census Bureau.

The Tool provides data on the number and share of households with one of the following four housing problems:

1. Lacks complete kitchen facilities
2. Lacks complete plumbing facilities
3. More than one person per room
4. Cost Burden - monthly housing costs (including utilities) exceed 30% of monthly income

Additionally, the Tool provides data on the number and share of households with one or more of the following “severe” housing problems, defined as:

1. Lacks complete kitchen facilities
2. Lacks complete plumbing facilities
3. More than one person per room
4. Severe Cost Burden - monthly housing costs (including utilities) exceed 50% of monthly income

Program participants should review these data to determine where disproportionate housing need may be found. For example, a sub-group, such as households of a particular racial/ethnic group or household size, may experience housing problems more frequently than the overall population.

Data Source: Comprehensive Housing Affordability Strategy (CHAS), 2007-2011

Related Template Tables/Maps: Table 9, 10; Map 7, 8

XII. Indices

HUD has developed a series of indices to help inform communities about segregation in their jurisdiction and region, as well as about disparities in access to opportunity. A description of the methodology for each of the following indices may be found below:

1. Dissimilarity Index
2. Low Poverty Index
3. School Proficiency Index
4. Jobs Proximity Index

5. Labor Market Engagement Index
6. Low Transportation Cost Index
7. Transit Trips Index
8. Environmental Health Index

Table 3 of the AFFH data tables provides values for the dissimilarity index. Table 12 of the AFFH data tables provides values for all the remaining indices.

To generate Table 12, index values were calculated for each census tract. These tract values were averaged and then weighted based on the distribution of people of different races and ethnicities within the CDBG jurisdiction or CBSA to generate composite index values for each race and ethnicity. A similar process was applied to weight the data based on the distribution of people of different races and ethnicities who are living below the federal poverty line within the CDBG jurisdiction and CBSA. The population estimates are based on the 2010 Decennial Census at the census tract or block-group level, depending on the geographic level at which the index was originally calculated.

The indices from Table 12 are also used to populate maps generated by the AFFH data and mapping tool, showing the overall index values of census tracts juxtaposed against data on race/ethnicity, national origin, and family type.

The following details each of the eight indices used in the AFFH Template.

A. Analyzing Segregation

1. Dissimilarity Index

Summary

The dissimilarity index (or the index of dissimilarity) is a commonly used measure of community-level segregation. The dissimilarity index represents the extent to which the distribution of any two groups (frequently racial or ethnic groups) differs across census tracts or block-groups. It is calculated as:

$$D_j^{WB} = 100 * \frac{1}{2} \sum_{i=1}^N \left| \frac{W_i}{W_j} - \frac{B_i}{B_j} \right|$$

Where *i* indexes census block-groups or tracts, *j* is the *j*th jurisdiction, *W* is group one and *B* is group two, and *N* is the number of block-groups or tracts *i* in jurisdiction *j*.

Interpretation

The values of the dissimilarity index range from 0 to 100, with a value of zero representing perfect integration between the racial groups in question, and a value of 100 representing perfect segregation between the racial groups. The following is one way to understand these values:

Measure	Values	Description
Dissimilarity Index [range 0-100]	<40	Low Segregation
	40-54	Moderate Segregation
	>55	High Segregation

Data Source: Decennial Census, 2010, 2000, 1990. Block-group level data were used for 2010, and census tracts were used for 2000 and 1990.

Related Template Tables/Maps: Table 3

References:

Massey, Douglas S. and Nancy A. Denton. 1988. The Dimensions of Residential Segregation. *Social Forces*, 67(2): 281-315.

B. Analyzing Disparities in Access to Opportunity

HUD has developed a two-stage process for analyzing disparities in access to opportunity. The first stage involves quantifying the degree to which a neighborhood offers features commonly viewed as important opportunity indicators such as education, employment, and transportation, among others. This stage uses metrics that rank each neighborhood along a set of key dimensions. In the second stage, HUD compares these rankings across people in particular racial and economic subgroups to characterize disparities in access to opportunity. HUD considers opportunity indicators a multi-dimensional notion. To focus the analysis, HUD developed methods to quantify a selected number of the important opportunity indicators in every neighborhood. These dimensions were selected because existing research suggests they have a bearing on a range of individual outcomes. HUD has selected five dimensions upon which to focus: poverty, education, employment, transportation, and health.

Invariably, these dimensions do not capture everything that is important to the well-being of individuals and families. In quantifying indicators of access to opportunity, HUD is not making a definitive assessment of one's life chances based on geography. HUD is quantifying features of neighborhoods for the purpose of assessing whether significant disparities exist in the spatial access or exposure of particular groups to these quality of life factors. While these important dimensions capture a number of key concepts identified by research as important to quality of life, the measures are not without limitations. HUD constrained the scope of HUD-provided items to those that are closely linked to neighborhood geographies and could be measured consistently at small area levels across the country. For example, HUD's measure of school performance only reflects elementary school proficiency. It does not capture academic achievement for higher grades of schooling, which are important to a community's well-being, but likely less geographically tied to individual neighborhoods than elementary schools. Similarly, the health hazard measure only captures outdoor toxins, missing indoor exposures. The national-availability restriction is a necessity given that all HUD program participants must complete an Assessment of Fair Housing. HUD realizes that there are other assets that are relevant, such as neighborhood crime or housing unit lead and radon levels. However, these lack consistent neighborhood-level data across all program participant geographies. As a consequence, HUD encourages program participants to supplement the data it provides with robust locally-available data on these other assets so that the analysis is as all-encompassing as possible. The five dimensions are operationalized by seven indices, described below.

2. Low Poverty Index

Summary

The low poverty index captures poverty in a given neighborhood. The index is based on the poverty rate (pv).

$$POV_i = \left[\left(\frac{pv_i - \mu_{pv}}{\sigma_{pv}} \right) * -1 \right]$$

Where the mean (μ_{pv}) and standard error (σ_{pv}) are estimated over the national distribution.

The poverty rate is determined at the census tract level.

Interpretation

Values are inverted and percentile ranked nationally. The resulting values range from 0 to 100. The higher the score, the less exposure to poverty in a neighborhood.

Data Source: American Community Survey, 2006-2010

Related Template Tables/Maps: Table 12; Map 13

3. School Proficiency Index

Summary

The school proficiency index uses school-level data on the performance of 4th grade students on state exams to describe which neighborhoods have high-performing elementary schools nearby and which are near lower performing elementary schools. The school proficiency index is a function of the percent of 4th grade students proficient in reading (r) and math (m) on state test scores for up to three schools ($i=1,2,3$) within 1.5 miles of the block-group centroid. S denotes 4th grade school enrollment:

$$School_i = \sum_{n=1}^3 \left(\frac{s_i}{\sum^n s_i} \right) * \left[\frac{1}{2} * r_i + \frac{1}{2} * m_i \right]$$

Elementary schools are linked with block-groups based on a geographic mapping of attendance area zones from School Attendance Boundary Information System (SABINS), where available, or within-district proximity matches of up to the three-closest schools within 1.5 miles. In cases with multiple school matches, an enrollment-weighted score is calculated following the equation above.

Interpretation

Values are percentile ranked and range from 0 to 100. The higher the score, the higher the school system quality is in a neighborhood.

Data Source: Great Schools (proficiency data, 2011-12 or more recent); Common Core of Data (school addresses and enrollment, 2011-12); SABINS (attendance boundaries, 2011-12).

Related Template Tables/Maps: Table 12; Map 9

4. Jobs Proximity Index

Summary

The jobs proximity index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a CBSA, with larger employment centers weighted more heavily. Specifically, a gravity model is used, where the accessibility (A_i) of a given residential block-group is a summary description of the distance to all job locations, with the distance from any single job location positively weighted by the size of employment (job opportunities) at that location and inversely weighted by the labor supply (competition) to that location. More formally, the model has the following specification:

$$A_i = \frac{\sum_{j=1}^n \frac{E_j}{d_{i,j}^2}}{\sum_{j=1}^n \frac{L_j}{d_{i,j}^2}}$$

Where i indexes a given residential block-group, and j indexes all n block groups within a CBSA. Distance, d , is measured as “as the crow flies” between block-groups i and j , with distances less than 1 mile set equal to 1. E represents the number of jobs in block-group j , and L is the number of workers in block-group j .

The Longitudinal Employer-Household Dynamics (LEHD) has missing jobs data in all of Puerto Rico and a concentration of missing records in Massachusetts.

Interpretation

Values are percentile ranked with values ranging from 0 to 100. The higher the index value, the better the access to employment opportunities for residents in a neighborhood.

Data Source: Longitudinal Employer-Household Dynamics (LEHD) data, 2010

Related Template Tables/Maps: Table 12; Map 10

5. Labor Market Engagement Index

Summary

The labor market engagement index provides a summary description of the relative intensity of labor market engagement and human capital in a neighborhood. This is based upon the level of employment, labor force participation, and educational attainment in a census tract (i). Formally, the labor market index is a linear combination of three standardized vectors: unemployment rate (u), labor-force participation rate (l), and percent with a bachelor’s degree or higher (b), using the following formula:

$$LBM_i = \left[\left(\frac{\mu_i - \mu_u}{\sigma_u} \right) + -1 \right] + \left(\frac{l_i - \mu_l}{\sigma_l} \right) + \left(\frac{b_i - \mu_b}{\sigma_b} \right)$$

Where the means (μ_u, μ_l, μ_b) and standard errors ($\sigma_u, \sigma_l, \sigma_b$) are estimated over the national distribution. Also, the value for unemployment rate is inverted.

Interpretation

Values are percentile ranked nationally and range from 0 to 100. The higher the score, the higher the labor force participation and human capital in a neighborhood.

Data Source: American Community Survey, 2006-2010

Related Template Tables/Maps: Table 12; Map 11

6. Low Transportation Cost Index

Summary

This index is based on estimates of transportation costs for a family that meets the following description: a 3-person single-parent family with income at 50% of the median income for renters for the region (i.e. CBSA). The estimates come from the Location Affordability Index (LAI). The data used in the AFFH Tool correspond to those for household type 6 (hh_type6_) as noted in the LAI data dictionary. More specifically, among this household type, we model transportation costs as a percent of income for renters (t_rent). Neighborhoods are defined as census tracts. The LAI data do not contain transportation cost information for Puerto Rico.

Interpretation

Values are inverted and percentile ranked nationally, with values ranging from 0 to 100. The higher the index, the lower the cost of transportation in that neighborhood. Transportation costs may be low for a range of reasons, including greater access to public transportation and the density of homes, services, and jobs in the neighborhood and surrounding community.

Data Source: Location Affordability Index (LAI) data, 2008-2012

Related Template Tables/Maps: Table 12; Map 17

References:

www.locationaffordability.info

http://lai.locationaffordability.info/lai_data_dictionary.pdf

7. Transit Trips Index*Summary*

This index is based on estimates of transit trips taken by a family that meets the following description: a 3-person single-parent family with income at 50% of the median income for renters for the region (i.e. the Core-Based Statistical Area (CBSA)). The estimates come from the Location Affordability Index (LAI). The data used in the AFFH tool correspond to those for household type 6 (hh_type6_) as noted in the LAI data dictionary. More specifically, among this household type, we model annual transit trips for renters (transit_trips_rent). Neighborhoods are defined as census tracts. The LAI has missing transit trip information for Puerto Rico.

Interpretation

Values are percentile ranked nationally, with values ranging from 0 to 100. The higher the transit trips index, the more likely residents in that neighborhood utilize public transit. The index controls for income such that a higher index value will often reflect better access to public transit.

Data Source: Location Affordability Index (LAI) data, 2008-2012

Related Template Tables/Maps: Table 12; Map 12

References:

www.locationaffordability.info

http://lai.locationaffordability.info/lai_data_dictionary.pdf

8. Environmental Health Index*Summary*

The environmental health index summarizes potential exposure to harmful toxins at a neighborhood level. The index is a linear combination of standardized EPA estimates of air quality carcinogenic (c), respiratory (r) and neurological (n) hazards with i indexing census tracts.

$$EnvHealth_i = \left[\left(\frac{c_i - \mu_c}{\sigma_c} \right) + \left(\frac{r_i - \mu_r}{\sigma_r} \right) + \left(\frac{n_i - \mu_n}{\sigma_n} \right) \right] * -1$$

Where means (μ_c, μ_r, μ_n) and standard errors ($\sigma_c, \sigma_r, \sigma_n$) are estimated over the national distribution.

Interpretation

Values are inverted and then percentile ranked nationally. Values range from 0 to 100. The higher the index value, the less exposure to toxins harmful to human health. Therefore, the higher the value, the better the environmental quality of a neighborhood, where a neighborhood is a census block-group.

Data Source: National Air Toxics Assessment (NATA) data, 2005

Related Template Tables/Maps: Table 12; Map 14

References:

<http://www.epa.gov/ttn/atw/natamain/>

C. Computing Indices by Protected Class

The AFFH Tool provides index values documenting the extent to which members of different racial or ethnic groups have access to particular opportunity indicators. The Tool provides a weighted average for a given characteristic. The generic access for subgroup M to asset dimension R in jurisdiction j is calculated as:

$$Index_M^R = \sum_i^N \frac{M_i}{M_j} * R_i$$

Where i indicates Census tracts in jurisdiction j for subgroup M to dimension R . N is the total number of Census tracts in jurisdiction j .

It is useful to provide an example of this in practice (Table 2). Consider Jurisdiction X with a total of three neighborhoods (A, B, and C). Each neighborhood has an index score representing the prevalence of poverty within that neighborhood (Column 1), with higher values representing lower levels of poverty. To compute the index value for a particular subpopulation, such as white or black individuals, the values are weighted based on the distribution of that subpopulation across the three neighborhoods. For example, 40% of the jurisdiction's white population lives in neighborhood A, so the index value for neighborhood A represents 40% of the composite index value for the white population in the jurisdiction. The values for neighborhoods B and C are weighted at 40% and 20% respectively, based on the share of white individuals living in those neighborhoods, leading to a final weighted low poverty index for whites in the jurisdiction of 56.

Table 2. Example of Weighting of Low Poverty Index by Race in a Hypothetical Jurisdiction

Dimension		White			Black		
Neighborhood	Low Poverty Index	white pop	%white of total pop	Index for whites [(1)*(3)]	black pop	%black of total pop	Index for blacks [(1)*(6)]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
A	80	400	40%	32	100	20%	16
B	50	400	40%	20	150	30%	15
C	20	200	20%	4	250	50%	10
Total		1000	100%	56	500	100%	41

This exercise can be repeated for each racial/ethnic group. For example, the low poverty index among blacks in Jurisdiction X is 41. Using these indices, it is possible to identify differences in access to opportunity across protected classes.

To account for differences in household income across groups, the AFFH Tool also provides separate index values for persons below the federal poverty line, again breaking out values by racial or ethnic group. This helps program participants understand whether there are meaningful differences in access to opportunity indicators across groups that cannot be explained by differences in income. These index values by protected class among the total and populations below the federal poverty line are available in Table 12.

SIGN-IN SHEETS FROM PUBLIC ENGAGEMENT ACTIVITIES

2018 Analysis of Impediments to Fair Housing
Naperville, IL

Stakeholder Interviews

Date: 7-12-16 Time: 8:30 a.m. Meeting: Staff - Kickoff Meeting

Name (please print legibly)	Organization	E-mail Address & Phone Number
Ruth Broder	City clerks office	
Pam Galbraith	City clerks office	
Judy Evans		
Amy Emory	TED	

2016 Analysis of Impediments to Fair Housing
Naperville, IL

Stakeholder Interviews

Date: 8-13-16 Time: 10:30 Meeting: Fair housing orgs:

Name (please print legibly)	Organization	E-mail Address & Phone Number
Todd Fuller	HOPE Fair Housing	see card
Anne V. Houghaling	"	see card

2016 Analysis of Impediments to Fair Housing
Naperville, IL

Stakeholder Interviews

Date: 7-12-16 Time: 12:45 Meeting: Affordable Housing Providers

Name (please print legibly)	Organization	E-mail Address & Phone Number
Jennifer Taff	DuPage Habitat for Humanity	jtaff@dupagehabitat.org 630-520-3732 x 305
Harold Eich	Conscera Housing / Naperville Elderly Home	heich@conscera.org 630-340-8550
Courtney Smiek	Senior Home Sharing	CSmiek@seniorhomesharing.org 620-201-7081
Yesenia Sanchez	Bridge Communities	Yesenia.sanchez@bridgecommunities.org 630-545-0610 x29
John Hayner	Bridge Communities	John.Hayner@bridgecommunities.org 630-545-0610
Tony Hacker	Conscera Housing / Naperville Elderly Home	Ahacker@conscera.org 630-357-0909
Shenexia Stimage	ChildServ	Sstimage@childserv.org 773-391-3114

2016 Analysis of Impediments to Fair Housing
Naperville, IL

Stakeholder Interviews

Date: 7-12-16 Time: 2:30 pm Meeting: Homeless Assistance/Human Services

Name (please print legibly)	Organization	E-mail Address & Phone Number
John Hagan	see item	see item
Eric Gardner	LOAVES & FISHES	EGARDNER@LOAVES-FISHES.ORG
Janet Bernick	Loaves & Fishes	jbernick@loaves-fishes.org
Donna Foyle	Security House	donna.foyle@securityhouse.com

2016 Analysis of Impediments to Fair Housing
Naperville, IL

Stakeholder Interviews

Date: 7-13-16 Time: 1:00 pm Meeting: Homeless Assistance

Name (please print legibly)	Organization	E-mail Address & Phone Number
CAROL Srimler	DuPage Parks	csimlcr@dupageparks.org
Maria McTavishan	Leaves + Fishes Care	mmctavishan@leaves-fishes.org
Lisa Horne	Family Shelter Service	lhorne@familyshelterservice.net
DEB ROBERTSON	360 YOUTH SERVICES	drobotson@360youthservices.org
Katy Leclair	360 Youth Services	Kleclair@360youthservices.org
Jaimie Ward	The Bernard Coffey Veterans Foundation	housing.tbcof23@gmail.com

2016 Analysis of Impediments to Fair Housing
Naperville, IL

Stakeholder Interviews

Date: 7-13-16 Time: 2:30 Meeting: Disabilities

Name (please print legibly)	Organization	E-mail Address & Phone Number
Tamee Ward	CSEP (1:00pm Mtg.)	CSEP (1:00pm Mtg.)
Tiana Brazzale	Ray Graham Association	tiana@raygraham.org
Linda Georgione	Ray Graham Association	linda@raygraham.org
Kelsey Eklin	Ray Graham Association	kelsey@raygraham.org 630-628-6936
Dana Rowe	Turning Pointe Autism Foundation	DRowe@TurningPointeaf.org 630-615-6041
Kristi Landolt	Liste Friends	



HOUSING NEEDS ASSESSMENT

City of Naperville, Illinois

March 2020



VISION
ECONOMICS
STRATEGY
FINANCE
IMPLEMENTATION

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2

Introduction Housing Needs Assessment

SB Friedman Development Advisors (SB Friedman) was engaged by the City of Naperville ("City") to conduct a Housing Needs Assessment. The purpose of the assessment is to:

- Evaluate whether the existing housing stock meets current and projected needs over the short-term (5 years) and long-term (20 years);
- Identify key housing-related issues and unmet needs; and
- Identify potential programs, policies, and strategies to address identified housing challenges and opportunities.

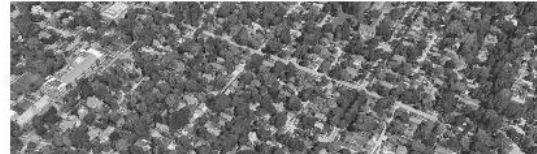
Simultaneous with SB Friedman's analysis, two other planning processes were underway that address housing issues in Naperville:

- **Naperville Housing Action Plan**, conducted by the Metropolitan Mayors Caucus, Chicago Metropolitan Agency for Planning (CMAP) and Metropolitan Planning Council through the Homes for a Changing Region program
- **Naperville Comprehensive Plan Update**, currently under way and being led by Houseal Lavigne Associates

While SB Friedman has engaged with both groups to understand their analyses and anticipated conclusions, the studies were not completed prior to our engagement or the completion of much of the housing needs assessment.



MULTIFAMILY NEIGHBORHOOD IN NORTHERN NAPERVILLE



HISTORIC SINGLE-FAMILY NEIGHBORHOOD EAST OF DOWNTOWN NAPERVILLE



RECENTLY-DEVELOPED SINGLE-FAMILY NEIGHBORHOOD IN SOUTHERN NAPERVILLE Source: Google Earth

Naperville Housing Needs Assessment

3

Introduction

Housing Needs Assessment

DEFINITION OF AFFORDABLE AND ATTAINABLE HOUSING

The Housing Needs Assessment includes an analysis of affordable and attainable housing. The definitions of each, for the purpose of this analysis, align with the Illinois Housing Development Authority's (IHDA) 2019 gross rent limits for the Chicago region, which includes DuPage and Will Counties. Gross rent limits are related to percentages of area median income and based on households paying no more than 30% of their income on housing.

Gross rent limits were used for renter-occupied housing, while gross rent limits were adjusted to account for home occupancy costs (taxes, utilities, etc.) for owner-occupied housing. For the purpose of this analysis, affordable and attainable housing are defined as:

- **Affordable Renter-Occupied Housing.** Gross monthly housing costs at or below the 60% gross rent limit. At 60% gross rent limits, homes would be affordable to households earning approximately \$53,000 for a family of 4, with monthly rents of ±\$1,340
- **Attainable Renter / Affordable Owner-Occupied Housing.** Gross monthly housing costs at or below the 80% gross rent limit. At 80% gross rent limits, housing would be affordable to households earning approximately \$71,000 for a family of 4 (estimated purchase price of \$278,000 or monthly rent of \$1,780)

- **Attainable Owner-Occupied Housing.** Gross monthly housing costs at or below the 120% gross rent limit. At 120% gross rent limits, homes would be affordable to households earning approximately \$107,000 for a family of 4 (estimated purchase price of \$425,000)

CITY-DEFINED SUBAREAS

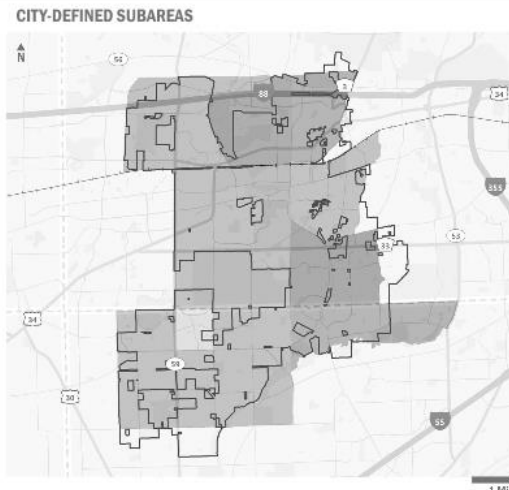
Naperville is a large community with varied neighborhood typologies. SB Friedman therefore worked with City staff to identify 10 subareas to better understand how socioeconomic and housing characteristics vary across neighborhoods. These subareas and their general characteristics are presented on the following page.

Given the irregularity of Naperville's boundary, the subareas were constructed to align with census tracts delineated by the U.S. Census Bureau (Census). In certain situations, the census tracts include portions of neighboring communities and/or unincorporated areas outside the City or exclude certain parcels that are incorporated in the City. Therefore, data collected at the subarea level is used only to understand the general characteristics of the area.

City-Defined Subareas

10 Subareas with Comparable Socioeconomic & Housing Characteristics

SUBAREA	SUBAREA LAND USE SUMMARY
Subarea 1	Commercial along I-88; Residential east and west of IL-59; Commercial and industrial south of Aurora Road
Subarea 2	Commercial along I-88 including BP campus; Recreational including Cress Creek Country Club and McDowell Grove; Residential; Naperville North High School
Subarea 3	Commercial along I-88; Residential; Commercial along Ogden Avenue;
Subarea 4	Springbrook Prairie Forest Preserve; Residential generally south and east of Ogden Avenue; Industrial/Commercial generally along, north and west of Ogden Avenue
Subarea 5	Downtown Naperville; North Central College; Residential
Subarea 6	Commercial on 75th Street; Residential
Subarea 7	Commercial at IL-59 and 95th Street; Residential
Subarea 8	DuPage River and adjacent recreation; Quarry; Residential
Subarea 9	Industrial in northwest corner; Commercial along IL-59; Neuqua Valley High School; Quarry; Residential
Subarea 10	Downtown Naperville; Naperville Central High School; Edward Hospital; Residential



Sources: U.S. Census Bureau, Esri, SB Friedman

Executive Summary

Housing Needs Assessment

NAPERVILLE TODAY

Naperville is both a desirable residential community and a major employment center in the Chicago region. The City's residential population is predominantly higher-income households comprising families with children at home and empty-nesters, while the workforce consists of a mix of professional and business services, retail and health care sectors. Much of the Naperville workforce lives outside of the City, while most City residents commute elsewhere for work and earn higher incomes than those working in the City.

The City maintains a somewhat diverse housing stock (62% single-family detached) with a median year built of 1988 and high occupancy (96%). The concentration of single-family detached housing, as a percentage of total housing stock, generally increases as you move from the northwest to the southeast. Approximately 75% of housing units are owner-occupied. The median home value is approximately \$399,000, while the median rent is \$1,415 per month. To afford this housing, owners would need to earn approximately \$100,000 per year, while renters would need to earn \$57,000 per year.

New construction owner-occupied units are generally located near downtown Naperville and along the perimeter of the City. New construction near downtown generally replaces smaller, lower-cost entry-level housing that has been torn down.

Newer owner-occupied product sold at a 40% premium to the median home value in 2019, while newer renter-occupied units leased at a 25% premium to median rents.

Senior and income-restricted housing is very limited, with senior and income-restricted units accounting for 19% and 4% of all rental units respectively. Senior housing is predominantly nursing care. SB Friedman estimates that approximately 21% of Naperville's owner-occupied housing could be considered naturally-occurring affordable housing (NOAH) at 80% affordability levels, this increases to 66% at the 120% affordability level (attainable/workforce housing). Approximately 12% of rental units are NOAH at the 60% affordability level.

Given the high home values and rents, housing affordability appears to be a challenge across several income cohorts. Approximately 20-22% of existing homeowners and 38-44% of renters are currently paying more than 30% of their gross income on housing. These households are considered cost-burdened and many are low-income. Therefore, there appears to be a considerable need for both owner- and renter-occupied affordable and income-restricted housing throughout the City to meet current residents' needs.

In recent years, population growth has slowed, and the City has become nearly built-out. The lack of additional developable land, combined with the desirability of

Executive Summary

Housing Needs Assessment

the community, is driving several housing-related issues, particularly in terms of housing affordability and constrained supply at certain price points.

Furthermore, the lack of developable land has increased property values to a level where building new housing at lower price points is challenging. Key informants indicated that housing affordability challenges are impacting not only lower-income households, but middle- and working-class households as well, particularly seniors looking to downsize, entry-level home buyers, and Naperville workers who wish to live closer to their workplace. Key informants also indicated unmet housing needs for people with special needs, those currently facing or at risk of homelessness, and veterans.

NAPERVILLE IN THE FUTURE

Naperville's population is projected by the Chicago Metropolitan Agency for Planning (CMAP) to grow through 2050, despite limited available sites for residential development. Change in City policies and redevelopment at a higher density would be required to achieve this level of population growth. In the near term, Esri projects that the population will become older and more affluent, with a near-term increase in owner-occupied home values and owner-occupied households by 2024.

A constrained supply of land available for residential development is likely to impact the type of new product that can be built in Naperville going forward. Much of the

residential growth will need to occur through changes in land use and redevelopment of existing sites. This is likely to result in a shift to more dense and small-lot development, including additional multifamily product and attached single-family homes. This shift aligns with broader trends in residential development, both regionally and nationally, that are leading to more compact development. However, key informants indicated that denser development may face some opposition from existing residents.

SB Friedman prepared a housing needs forecast for both renter and owner households. The model incorporates population projections from CMAP, which allocates regional demand to communities based on a number of socioeconomic factors. However, it is important to note that given Naperville's status as a nearly landlocked community, to achieve the CMAP population projections, the City would need to make a policy decision to increase residential density throughout Naperville. After discussions with City staff, SB Friedman utilized slightly more conservative population projections based on recent population growth rates for the purposes of this analysis.

Unmet needs were identified for two time periods, as requested by the City: 2025 and 2040. The results of the analysis indicate that to achieve a balanced housing profile - where appropriate unit types are available and affordable to anticipated households (accounting for both existing cost-burdened households and projected

Executive Summary

Housing Needs Assessment

population growth) – there appears to be the need for 6,900-8,600 new housing units by 2025 and 11,700-13,000 new units by 2040. Over the long-term (to 2040), this would amount to the construction of 510-565 units per year. For comparison purposes, the City added an average of ±340 units per year between 2010 and 2017.

Approximately 6,500 of the projected units appear to be needed by 2040 to alleviate housing cost burdens for households at lower incomes.

Additional units are also anticipated to be needed to address unmet housing needs identified by key informants. This includes a constrained supply of housing for seniors looking to downsize, entry-level home buyers, Naperville workers, people with special needs, those currently facing or at risk of homelessness, and veterans.

TOOLKIT TO ADDRESS UNMET HOUSING NEEDS

The City can begin to address housing-related challenges and work towards establishing a diversity of housing at a variety of price points by:

- Implementing proactive housing programs;
- Modifying regulations;
- Identifying and leveraging financing mechanisms; and
- Undertaking housing-related strategic planning.

The programs, policies and strategies outlined on pages 60-70 range from action steps that are immediately feasible to those that, with more complex implementation, may require longer-term efforts.

1. NAPERVILLE TODAY

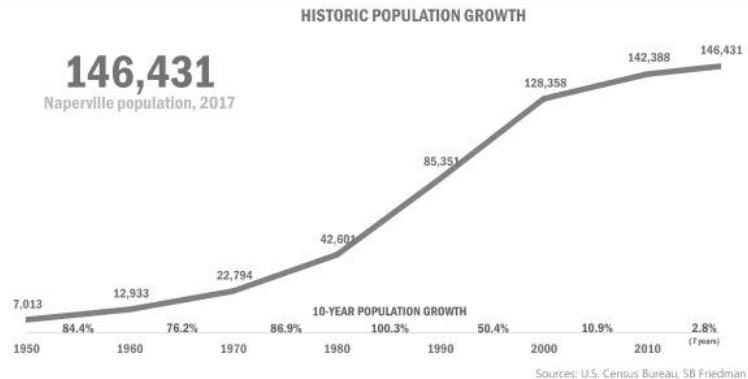
Key characteristics regarding Naperville's population, household, workforce and housing characteristics.

Historic & Current Population (1950 Through 2017)

1.1 Population/Household Characteristics

Naperville has experienced significant growth historically, particularly from 1980 to 2000, when the City's population tripled. Historic growth was driven, in large part, by the availability of developable land for residential uses and the growth of Naperville as a major employment center. The current population of Naperville exceeds 146,000.

In recent years, the City has become nearly built out, with limited large-scale development-ready parcels available in the City and adjacent unincorporated areas. This, combined with the Great Recession of the late 2000s and lingering regional impacts into the 2010s, has resulted in slower growth rates over the last decade.



Key Population Characteristics

1.1 Population/Household Characteristics

Much of Naperville's population reflects its status as a suburban location attractive to families, with nearly 60% of the population consisting of adults in the family years (age 35-54) and children under age 19.

However, the population is also aging. The median age is 38.7, which is older than the median age of the U.S. Census Bureau-defined Chicago-Naperville-Arlington Heights Metropolitan Division^[1] (36.9).

Furthermore, between 2010 and 2017, the median age in Naperville increased from 37.9 to 38.7. The share of the population age 55+ (empty nesters and seniors) increased from 20% to 25%, with decreases in adults in the family years (age 35-54) and children under age 19.

TOTAL POPULATION BY AGE - 2010



TOTAL POPULATION BY AGE - 2017



[1] The Chicago-Naperville-Arlington Heights Metropolitan Division is defined by the U.S. Census Bureau as DuPage County, Will County, Cook County, and McHenry County.

Key Population Characteristics

1.1 Population/Household Characteristics

Approximately 73% of the population identifies as white, with the next largest racial group being Asian (18%). Approximately 6% of the population identifies as Hispanic. Foreign-born residents represent 18.9% of the population, which is a percentage over twice as high as the Metro Division.

±4,500 people in Naperville (3.0% of the population) are veterans. Of the total veteran population, 59% are age 65+, 23% live with a physical or cognitive disability, and 1.6% live below the poverty line.

±9,400 people in Naperville (6.5% of the population) have a physical or cognitive disability. Of the total population with disabilities, 43% are age 65+, and 15% live below the poverty line.

The population with disabilities by age and subarea is presented on the following page.

TOTAL POPULATION BY RACE

White	Black	Asian	Other
73.0%	5.0%	17.9%	4.1%

5.7%

Naperville Identifying as Hispanic
22.1% in Metro Division

18.9%

Naperville Population that is Foreign-Born,
9.1% in Metro Division

3.0%

Naperville Population with Veteran Status (4,460 people)
3.6% in Metro Division

6.5%

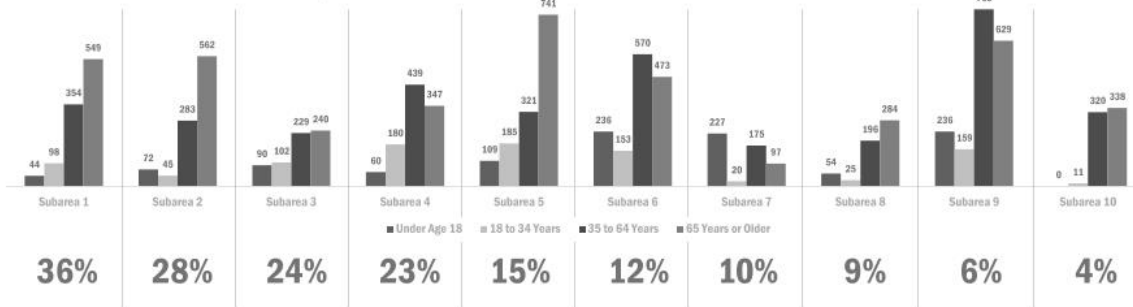
Naperville Population with Disabilities (9,429 people)
9.8% in Metro Division

Sources: U.S. Census Bureau, SB Friedman

Population with Disabilities

1.1 Population/Household Characteristics

POPULATION WITH A DISABILITY BY SUBAREA, 2017 ^{[1][2]}



SHARE OF POPULATION WITH A DISABILITY BELOW POVERTY, 2017 ^[1]

[1] The share of population with a disability below poverty and the count of population with a disability are calculated from different universes and therefore, one should not be multiplied by the other to generate counts of the population with a disability below poverty.
 [2] Subareas were built from Census tract boundaries and do not precisely align with City boundaries. Some areas outside of City boundaries are included while some areas within City boundaries are not included. For this reason, the sum of population represented in this chart will not match City totals for population with a disability.
 Source: U.S. Census Bureau, SB Friedman

Current Households by Age & Income

1.1 Population/Household Characteristics

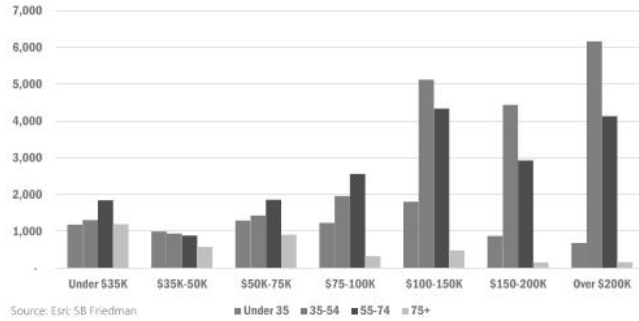
There are over 51,000 households in Naperville. A breakdown of households by age and income cohort is presented to the right. Households are predominantly in the 35-54 (family years) and 55-74 (empty nester and young seniors) age cohorts and earn more than \$100,000 per year.

Approximately 46% of senior households (age 75+) have incomes of \$50,000 or less.

The average household size of 2.80 reflects the large percentage of the population being in the family years with children at home. For comparison, the average household size for the Metro Division is 2.63.

The median household income is approximately \$114,000, approximately 75% higher than that of the Metro Division overall (\$65,322). However, there is a substantial differential in the median household income of owner and renter households in the City. Owner households have a median income of ±\$134,000, while renter households have a median income of ±\$62,000. Median household incomes are presented spatially on the following page. Overall, higher income census tracts are located in the southern and eastern portions of the City.

CURRENT HOUSEHOLDS BY AGE & INCOME



Source: Esri; SB Friedman

51,272
Naperville total households, 2017

2.80
Naperville average household size, 2017
2.63 in Metro Division

38.7
Naperville median age of householder, 2017
36.9 in Metro Division

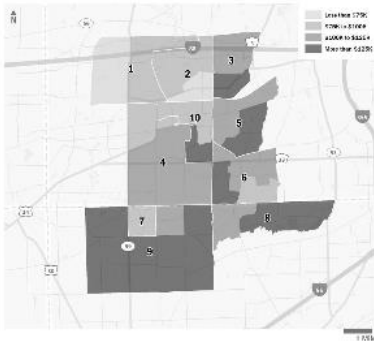
Sources: U.S. Census Bureau, SB Friedman

Key Household Characteristics

1.1 Population/Household Characteristics

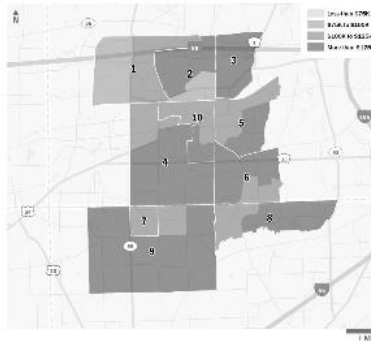
\$114,014

Naperville overall median household income, 2017⁽¹⁾
\$65,322 in Metro Division



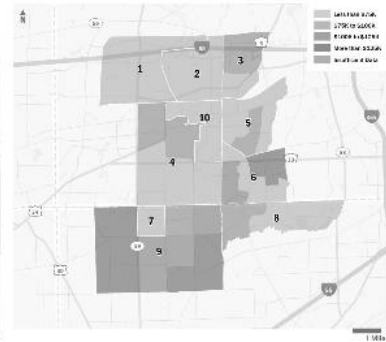
\$134,316

Naperville owner-occupied median household income, 2017⁽¹⁾
\$85,690 in Metro Division



\$61,745

Naperville renter-occupied median household income, 2017⁽¹⁾
\$39,991 in Metro Division

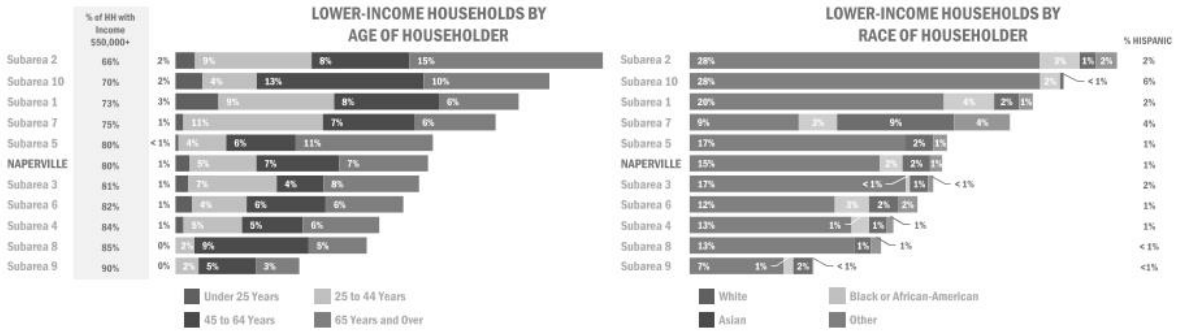


Sources: U.S. Census Bureau, SB Friedman

Lower-Income Households by Age & Race

1.1 Population/Household Characteristics

A demographic profile of lower income households (annual income below \$50,000) by subarea is presented below. Of the lower income households, there is a relatively even split amongst age cohorts (age 25+) overall. Lower-income households are largely white overall.



Sources: U.S. Census Bureau, SB Friedman

Naperville Housing Needs Assessment

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Current Housing Preferences by Age & Income

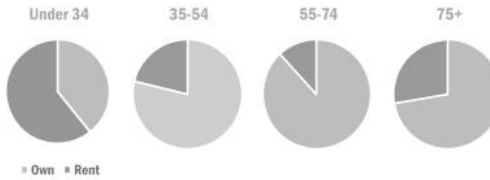
1.1 Population/Household Characteristics

Housing preferences of the existing population vary based on the age and income of the householder. Current housing preferences in Naperville by age and income cohort are presented to the right.

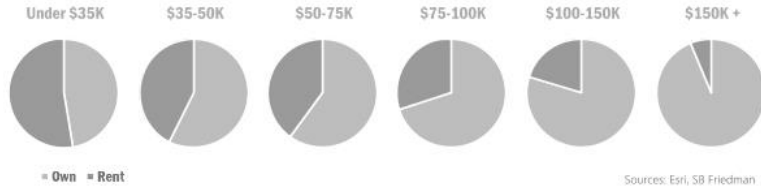
Most householders under age 34 are renters, while householders in the family and empty nester years are predominantly owners. While seniors are also primarily owners, the percent of renters is higher as seniors seek other housing arrangements as they age.

From an income perspective, as householders earn higher incomes, home ownership also increases.

CURRENT HOUSING PREFERENCES BY AGE



CURRENT HOUSING PREFERENCES BY INCOME



Sources: Esri, SB Friedman

Naperville Housing Needs Assessment

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Current & Historic Employment

1.2 Workforce Characteristics

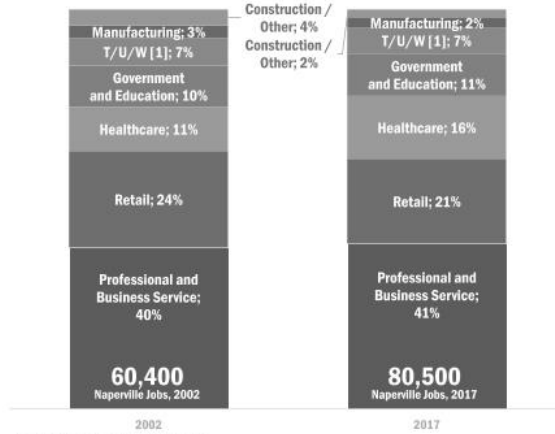
Approximately 80,500 people are employed in Naperville. The Professional and Business Service sector contains the most jobs in Naperville and experienced the largest absolute job gains from 2002 to 2017 (+8,900 jobs). Major sectors include Professional, Scientific, and Technical Services and Finance and Insurance.

Healthcare has grown the most on a percentage basis, nearly doubling over the time period (+6,000 jobs).

Construction/Other was the only sector which lost significant jobs in Naperville over this period, primarily reflecting job losses in the construction field.

Naperville's employment growth rate of 33% over this time period (1.9% annual growth rate) is also more rapid than the region overall and DuPage County.

NAPERVILLE EMPLOYMENT COMPOSITION, 2002 AND 2017



[1] Primarily construction employment
 [2] Transportation and Warehousing, Utilities, Wholesale Trade
 Source: Bureau of Labor Statistics Occupational Employment Statistics (BLS OES); Longitudinal Employer-Household Dynamics (LEHD); SB Friedman

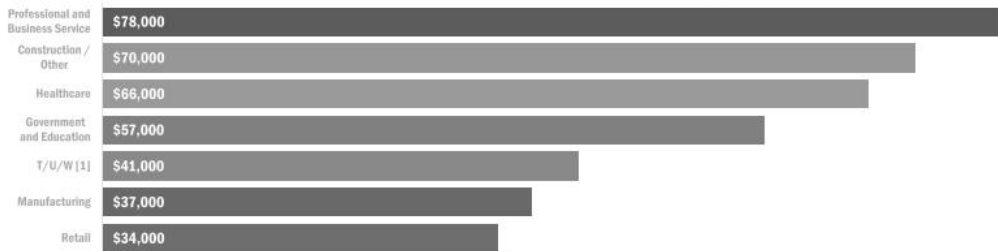
Estimated Wages

1.2 Workforce Characteristics

SB Friedman estimated wages for jobs in Naperville using average wages for the Chicago region by industry, weighted to Naperville's jobs mix. Professional and Business Service jobs, which made up 41% of jobs in 2017, have an estimated annual wage of \$78,000. Healthcare, the most rapidly growing segment of Naperville's

employment base, has an estimated wage of \$66,000 per year. Retail jobs, which are shrinking as a share of Naperville's total jobs, have the lowest estimated wage in Naperville at \$34,000.

ESTIMATED ANNUAL WAGE (CHICAGO REGION), 2017



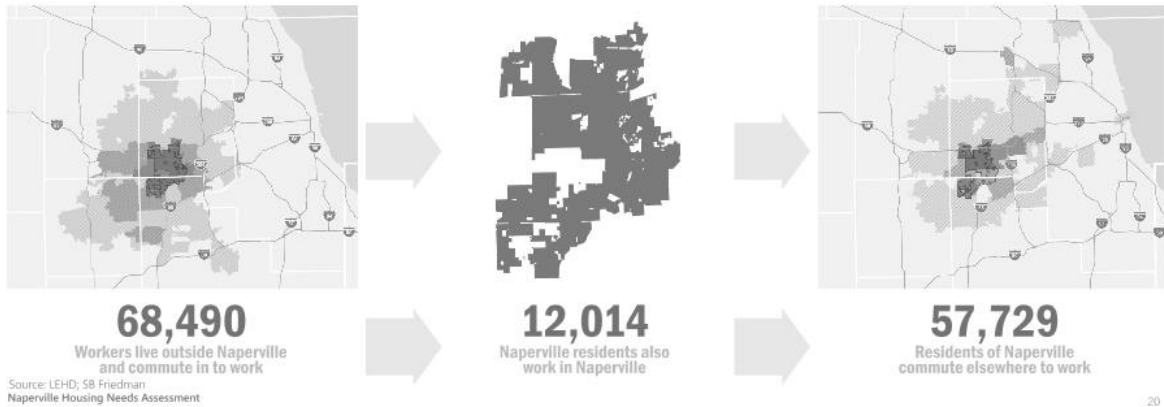
[1] Transportation and Warehousing, Utilities, Wholesale Trade
 Source: Bureau of Labor Statistics Occupational Employment Statistics (BLS OES); Longitudinal Employer-Household Dynamics (LEHD); SB Friedman

Commuting Patterns

1.2 Workforce Characteristics

Workers are predominantly commuting into Naperville. Of the total number of workers, 85% (68,490 workers) live outside Naperville, primarily in surrounding communities. The remaining 15% of the workforce lives in Naperville (12,014 workers). Similarly, a survey of City government employees in 2018 revealed that 80.6% commute from outside of Naperville. Approximately 83% of Naperville

residents (57,729 workers) are commuting elsewhere to work. Areas with enhanced transportation access (via freeway or train) appear to be the most common employment destinations. Over 11,000 residents work in Chicago (16% of employed residents). Overall, Naperville residents who commute elsewhere are generally working in higher wage professions than workers commuting into Naperville.



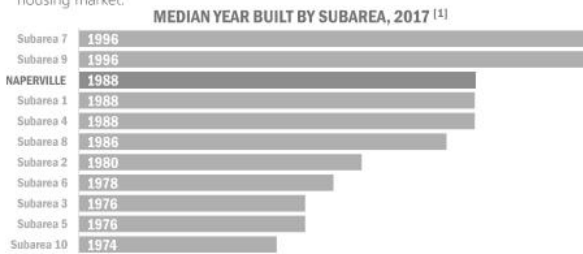
20

Median Housing Age & Occupancy

1.3 Housing Characteristics

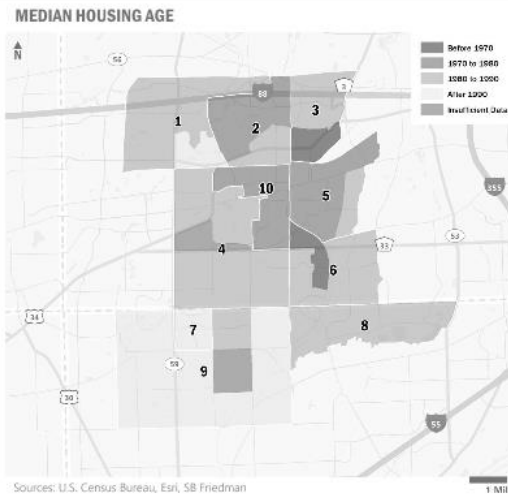
There are approximately 54,000 housing units in Naperville. The age and character of the housing stock is reflective of the City's major periods of growth (from 1980 to 2000). Overall, the median year built is 1988, though the age of the housing stock varies throughout the City. In the neighborhoods closest to downtown Naperville, the median year built is 1976, while the median year built in the southwest portions of the City is 1997.

Overall, housing occupancy in Naperville is 96%, which is indicative of a strong housing market.



[1] Subarea values are averages of median year built for constituent tracts weighted by counts of all housing units by tract, presented by year.
Source: U.S. Census Bureau, SB Friedman

Naperville Housing Needs Assessment



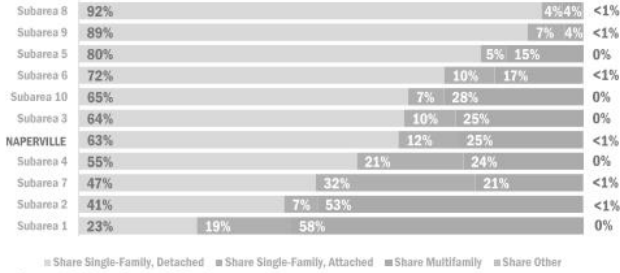
21

Housing Typology

1.3 Housing Characteristics

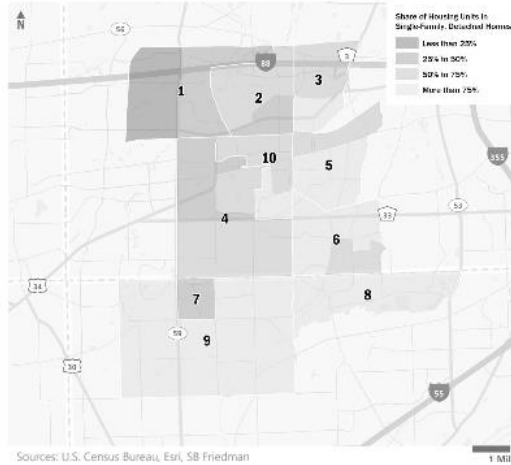
Approximately 63% of housing units in Naperville are single-family detached. However, the proportion of single-family homes varies throughout the City. Areas generally north and west tend to have higher shares of multifamily or attached single-family while areas to the south and east tend to have higher shares of detached single-family. At the extremes, over 50% of units in Subareas 1 and 2, are in multifamily buildings, while in Subareas 8 and 9 multifamily constitutes less than 5% of units. Overall, the mix of housing is consistent with DuPage County and is more diverse than Will County.

HOUSING TYPOLOGY BY SUBAREA, 2017



Sources: U.S. Census Bureau, SB Friedman
Naperville Housing Needs Assessment

SHARE OF SINGLE-FAMILY, DETACHED HOMES BY SUBAREA



Sources: U.S. Census Bureau, Esri, SB Friedman

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Housing Tenure

1.3 Housing Characteristics

Citywide, approximately 75% of occupied housing units are owner-occupied, while the remaining 25% are renter-occupied. The pattern of housing tenure is similar to the density pattern noted above – lower-rates of home-ownership generally coincide with higher shares of multifamily buildings. Therefore, areas in the north and west of the City tend to have higher rates of renter-occupied units while areas to the south and east tend to have higher rates of owner-occupied units.

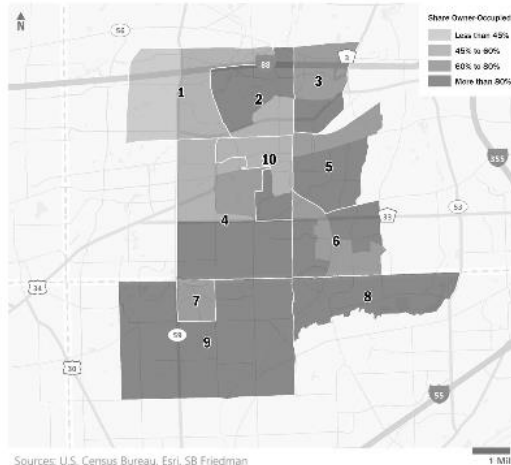
The overall ratio of owner-to-renter housing is consistent with rates in DuPage County, but reflects a higher share of renter-occupancy than in Will County.

HOUSING TENURE BY SUBAREA, 2017



Sources: U.S. Census Bureau, SB Friedman
Naperville Housing Needs Assessment

HOUSING TENURE BY SUBAREA, 2017



Sources: U.S. Census Bureau, Esri, SB Friedman

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Median Home Values

1.3 Housing Characteristics

Naperville's median home value is approximately \$398,500 according to the Census. Under U.S. Department of Housing and Urban Development (HUD) standards, housing is considered affordable if up to 30% of income is attributed to housing costs. Median Naperville home values are therefore affordable to households earning approximately \$100,000 per year^[1].

Areas east of downtown (Subareas 3 and 5) and along the City's southern edge (Subareas 8 and 9) generally have home values higher than the City overall – following to some degree the pattern of new home construction described later.

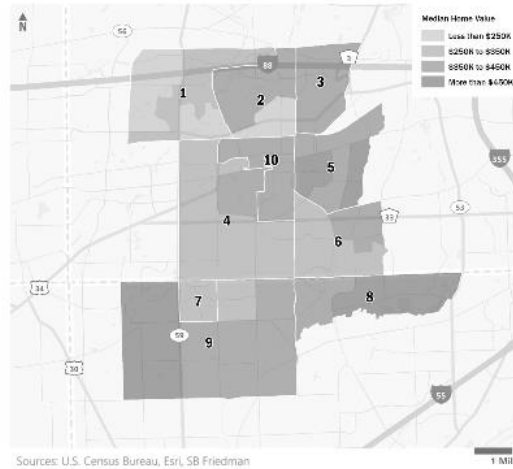
MEDIAN HOME VALUE BY SUBAREA, 2017 ^[2]



[1] For an explanation of how gross owner-occupied monthly housing costs were estimated, please see Appendix.
 [2] Subarea values are averages of median home values for constituent tracts weighted by counts of owner-occupied housing units by tract. Subarea values rounded to the nearest \$5,000.

Source: SB Friedman; U.S. Census Bureau
 Naperville Housing Needs Assessment

MEDIAN HOME VALUE BY SUBAREA, 2017



Sources: U.S. Census Bureau, Esri, SB Friedman

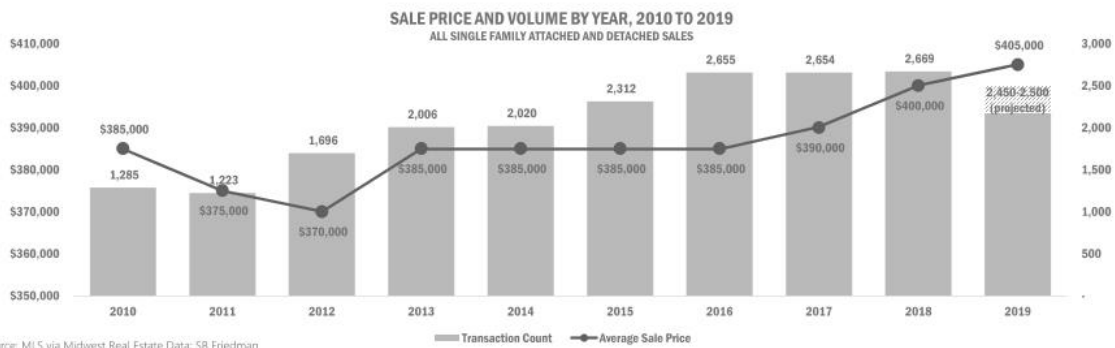
24

Recent Home Sales Activity

1.3 Housing Characteristics

Census-reported home values are largely consistent with recent single-family home transactions as identified through the Multiple Listing Service (MLS). In 2019, the average sales price in MLS data for the City was \$405,000, which would again be affordable to a household earning approximately \$100,000. MLS data also indicated that recent pace of sales has been relatively stable, with around 7% of the owner-occupied housing stock transacting annually.

After declining in the wake of the Great Recession, both sales volume and prices have risen. While prices appear to be continuing to increase, 2019 data appears to indicate a slight decline in transactions after several years of essentially unchanged transaction levels.



Source: MLS via Midwest Real Estate Data; SB Friedman

Naperville Housing Needs Assessment

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Recent Single-Family Development Activity

1.3 Housing Characteristics

Recent single-family home development has clustered near downtown Naperville and in the remaining greenfield areas of the City – primarily along the City's edges in the southwest and northwest.

Naperville has averaged approximately 280 new construction permits per year since 2013. The household income needed to purchase one of these new units, assuming 30% of income is attributed to housing costs, has historically been around \$170,000. Key informants indicated that high land costs are driving the higher price points for new construction single-family homes.

Year	Count of SF Permits	Average Value of SF Permit ^[1]	Estimated Home Value Based on Permit Value ^[1]	Estimated Monthly Housing Cost ^[2]	Min. Affordable Household Income
2013	205	\$425,000	\$706,000	\$4,200	\$168,000
2014	324	\$346,000	\$575,000	\$3,500	\$140,000
2015	267	\$355,000	\$590,000	\$3,600	\$144,000
2016	312	\$657,000	\$1,091,000	\$6,500	\$260,000
2017	323	\$411,000	\$683,000	\$4,100	\$164,000
2018	250	\$368,000	\$611,000	\$3,700	\$148,000
2019 ^[3]	108	\$409,000	\$679,000	\$4,100	\$164,000

[1] For permits which included value; rounded to nearest \$1,000

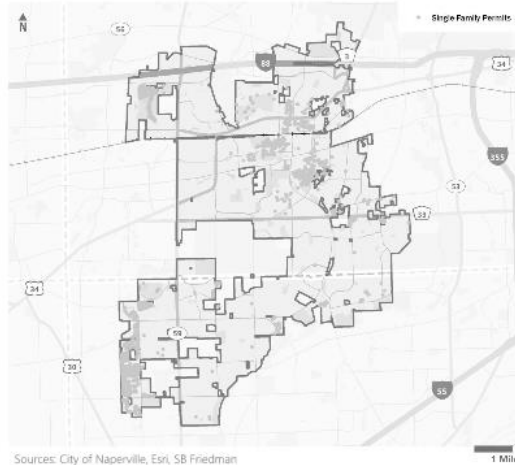
[2] See Appendix for housing cost assumptions; rounded to nearest \$100

[3] Through September 2019

Source: City of Naperville; DuPage County (Clerk, Treasurer); Federal Reserve Bank of St. Louis; National Association of Homebuilders; National Association of Realtors; SB Friedman; U.S. Energy Information Administration

Naperville Housing Needs Assessment

SINGLE-FAMILY NEW CONSTRUCTION PERMITS, 2013-2019



Sources: City of Naperville, Esri, SB Friedman

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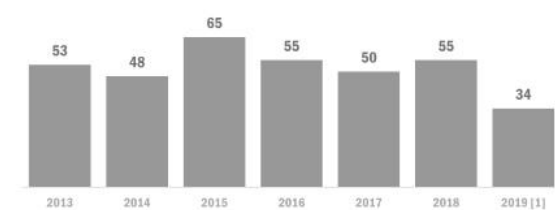
Recent Single-Family Tear Down Activity

1.3 Housing Characteristics

Recent single-family home construction in the neighborhoods surrounding downtown Naperville has typically been associated with the demolition of existing smaller and lower-cost units that may have historically served entry-level homeowners. At least 360 permits have been issued for demolition of single-family homes since 2013, averaging nearly 55 units per year. Approximately 20% of single-family construction permits appear to be accompanied by a demolition permit.

Key informants indicated that these teardowns are contributing to affordability challenges and is further constraining the supply of entry-level and lower cost housing.

SINGLE-FAMILY DEMOLITION PERMITS BY YEAR

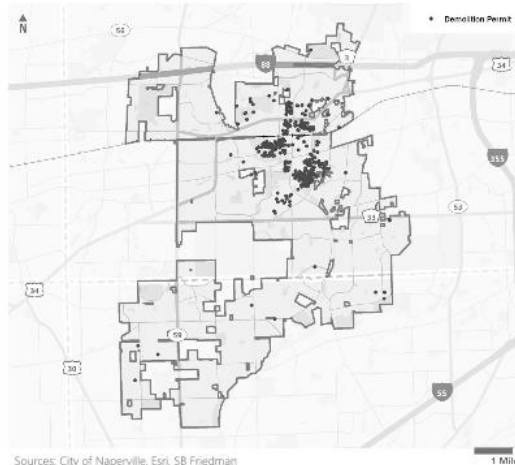


[1] Through September 2019

Source: City of Naperville; SB Friedman

Naperville Housing Needs Assessment

DEMOLITION PERMITS, 2013-2019



Sources: City of Naperville, Esri, SB Friedman

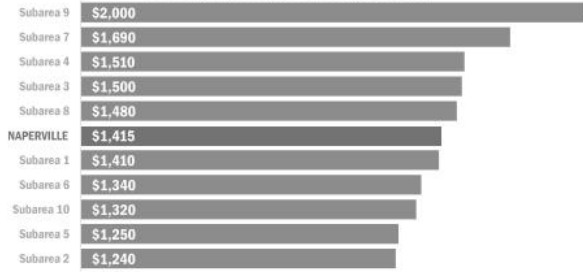
27

Median Gross Rent

1.3 Housing Characteristics

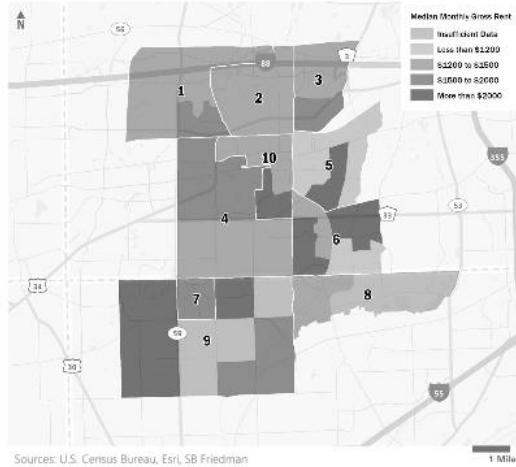
Per the Census, Naperville's median gross rent is \$1,415, which would be affordable to a household earning approximately \$57,000^[1]. These rents are consistent with data available through CoStar for multifamily product in Naperville. Subareas in the south/southwest and northeast have median gross rents higher than the City overall while subareas in the northwest and east have lower median gross rents.

MEDIAN GROSS RENT BY SUBAREA, 2017 ^[2]



[1] Assuming a household paid monthly rent of \$1,415 and devoted no more than 30% of their income to rent.
 [2] Subarea values are averages of median gross rents for constituent tracts weighted by counts of renter-occupied housing units by tract. Subarea values rounded to the nearest \$10.
 Source: SB Friedman; U.S. Census Bureau

MEDIAN GROSS RENT BY SUBAREA



Sources: U.S. Census Bureau, Esri, SB Friedman

Existing Market-Rate Multifamily

1.3 Housing Characteristics

Naperville contains ±8,750 multifamily units in buildings with 4+ units and that are tracked by CoStar. As noted earlier, many of the multifamily properties are in the northern and western portions of the City.

Apartments are predominantly 1- and 2-bedroom units with few family-sized units (3+ bedrooms). Existing product is generally older with an average age of 30+. Since 2013, average rents have increased amid generally steady vacancy. Multifamily vacancy is currently 5.6%, which is relatively low, in particular for older product.

Key informants indicated that older multifamily product frequently serves as naturally-occurring affordable housing.

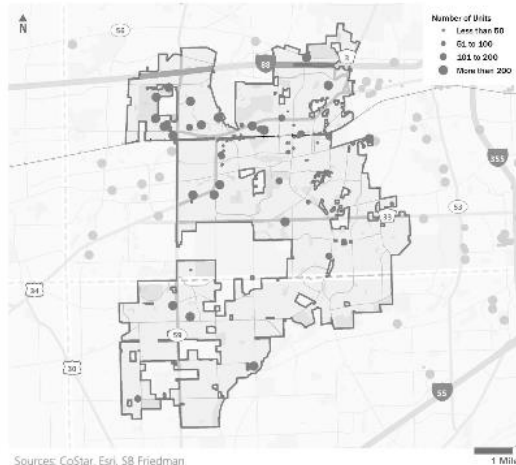


CURRENT UNIT MIX



Source: CoStar; SB Friedman
 Naperville Housing Needs Assessment

MARKET-RATE MULTIFAMILY PROPERTIES



Sources: CoStar, Esri, SB Friedman

Recent Multifamily Development Activity

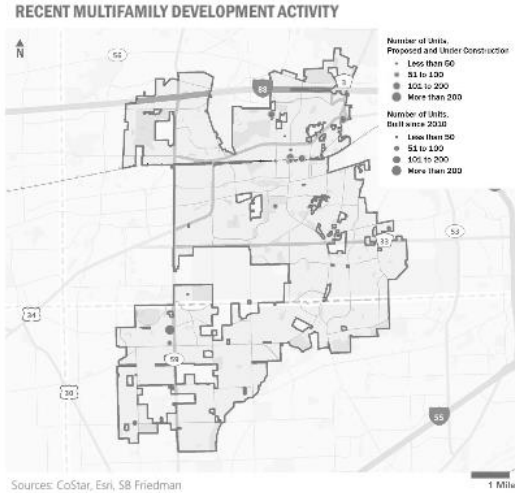
1.3 Housing Characteristics

Unlike the distribution of existing market rate multifamily, which is clustered toward the City's northwest, recently completed and proposed multifamily projects are located near downtown Naperville and in the City's southwest. New units were delivered in 2014 (298 units) and 2018 (107).

Newer multifamily product is typically luxury and caters to younger, and higher-income households. New units tend to have higher asking rents than the market overall and a slightly higher share of family-sized units. Vacancy for new product is somewhat high, given that several projects delivered in 2018 are still in lease-up. This product is leasing at approximately a 25% premium to the overall supply.

	Naperville Multifamily Built Since 2010	Naperville Multifamily All Units ^[1]
Number of Units	405	8,742
Vacancy ^[2]	9.2%	5.6%
Average Rent	\$1,774	\$1,432
Share Family-Sized Units ^[3]	9%	3%

[1] Buildings of 4 or more units; The smallest building built since 2010 has 8 units.
 [2] Includes 3 buildings built in 2018 which are still leasing up and one building built in 2014 with 8.1% vacancy.
 [3] Units of 3 bedrooms or more
 Source: CoStar, SB Friedman



Existing Senior Housing

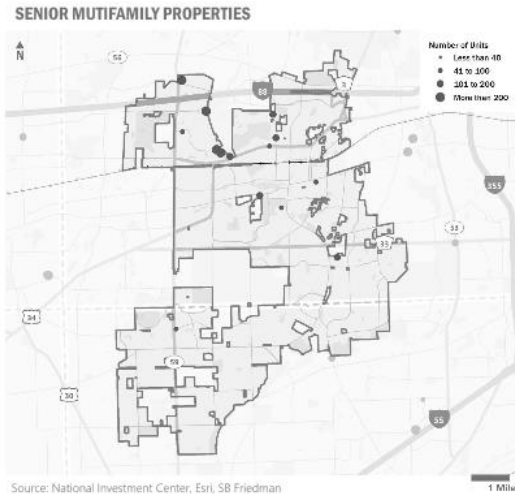
1.3 Housing Characteristics

There are approximately 2,400 senior housing units in Naperville. Most of the existing product is nursing care (NC) facilities that are on average 25 years old. Recent construction has been only independent living (IL) and assisted living/memory care (AL/MC) facilities. Like market-rate multifamily properties, many of these facilities are located in northwest Naperville, with fewer facilities to the south and east.

Constrained supply appears to be limiting options for seniors who want to remain in the City. This was confirmed by key informants. The market has responded through the construction of age-restricted, active adult communities. However, this product is again largely luxury and catering primarily to higher-income households.

All Age-Restricted Multifamily	IL	AL/MC	NC	Total
Property Count	3	5	6	14
Unit Count	622	614	1,130	2,366
Share of Total	26%	26%	48%	100%
Average Year Built	1999	2006	1985	1994

Source: National Investment Center, SB Friedman



Existing Income-Restricted Multifamily

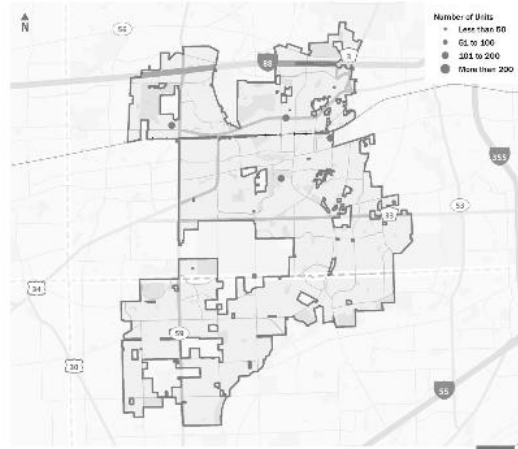
1.3 Housing Characteristics

Based on data from HUD and IHDA, Naperville contains approximately 550 income-restricted units in 7 affordable properties. This accounts for only 4% of the City's overall rental housing stock. Nearly all of these units are in the 4 projects outlined below. Income-restricted housing developments are typically constructed by non-profit developers with financial assistance available through federal programs, and may receive ongoing rental support through HUD. Operators indicated that existing facilities have multiyear waiting lists.

	Martin Avenue Apartments	Ogden Manor	Charles Court	Countrywood Apartments
Unit Count	122 (+68 under construction)	108	130	180
Bedroom Types	Studio, 1BR, 2BR	1BR, 2BR, 3BR	1BR, 2BR	1BR, 2BR
Public Support ¹¹¹	PBV, LIHTC	PBV, LIHTC	PBV	LIHTC
Population Served	Seniors, Special Needs	Family, Seniors, Special Needs	Seniors	Family

¹¹¹ LIHTC: Low-Income Housing Tax Credits; PBV: project-based vouchers that provide ongoing rental assistance
Sources: Affordable Housing Online, Illinois Housing Development Authority (IHDA); SB Friedman

INCOME-RESTRICTED MULTIFAMILY PROPERTIES



Sources: Illinois Housing Development Authority, U.S. Department of Housing and Urban Development, Esri, SB Friedman

Existing Income-Restricted Multifamily

1.3 Housing Characteristics

Housing choice vouchers (HCV) also provide rental subsidies for lower-income residents and can be used for market-rate units. Voucher holders are a protected class in Naperville. Per the DuPage Housing Authority, there are approximately 500-550 vouchers in Naperville, with additional vouchers holders in the Will County portion of the City, which are administered by the Joliet Housing Authority.

In addition to larger facilities, there are scattered-site projects/programs in Naperville focused on seniors, people with special needs, and homeless populations or those at the risk of homelessness.

The market appears unable to address a lack of affordability on its own, likely requiring intervention by the public sector. The need for affordable housing was expressed by many stakeholders and appears to be a high priority in the City today.

Owner-Occupied Naturally-Occurring Affordable Housing

1.3 Housing Characteristics

SB Friedman quantified the universe of owner-occupied naturally occurring affordable and attainable housing (NOAH) in Naperville through an analysis of home sales available through MLS (2010-2019, adjusted to 2019 dollars).

SB Friedman evaluated NOAH at two affordability levels using IHDA-defined gross rent limits for the Chicago region, which includes DuPage and Will Counties:

1. Gross monthly housing costs at or below the 80% gross rent limit. At this affordability level, homes would be affordable to low-income households earning approximately \$71,000 for a family of 4; and
2. Gross monthly housing costs at or below the 120% gross rent limit. At this affordability level, homes would be attainable to households earning approximately \$107,000 for a family of 4.

80% GROSS RENT LIMIT

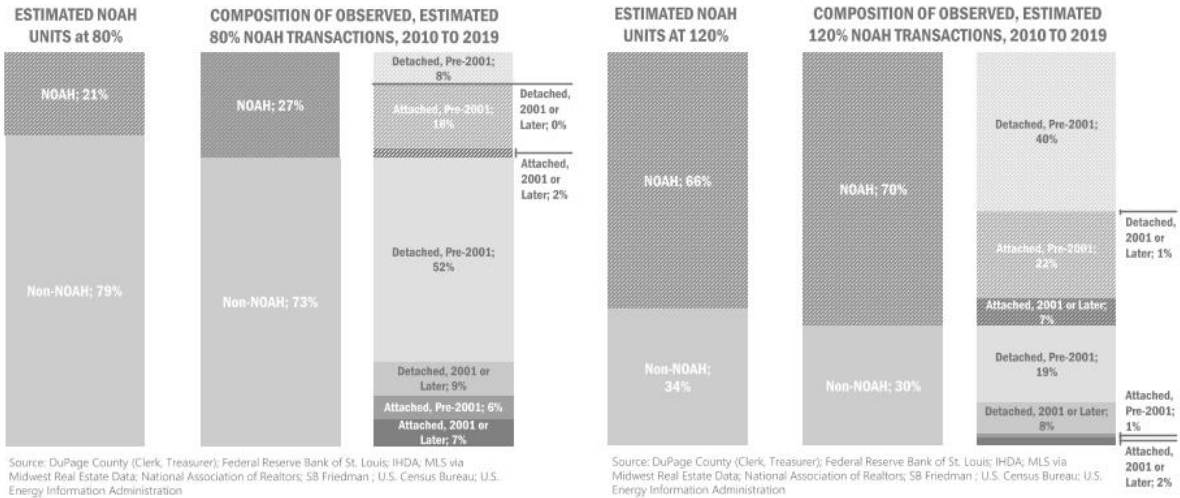
SB Friedman estimates that approximately 27% of sale transactions in Naperville from 2010 to 2019 represented NOAH units at the 80% affordability level. NOAH transactions were primarily older and/or attached units. There were no estimated NOAH transactions on detached housing built since 2001 in Naperville. Applying the rates of NOAH transactions by unit bedroom count to Naperville's housing mix, SB Friedman estimates that approximately 21% of Naperville's owner-occupied housing could be considered NOAH.

120% GROSS RENT LIMIT

SB Friedman applied the same methodology to households at the 120% affordability level. While a far greater share of units are considered NOAH at this income level (66%), there is still almost no newer detached housing in the NOAH range. Rather, most NOAH units are in older detached single-family homes.

Owner-Occupied Naturally-Occurring Affordable Housing

1.3 Housing Characteristics



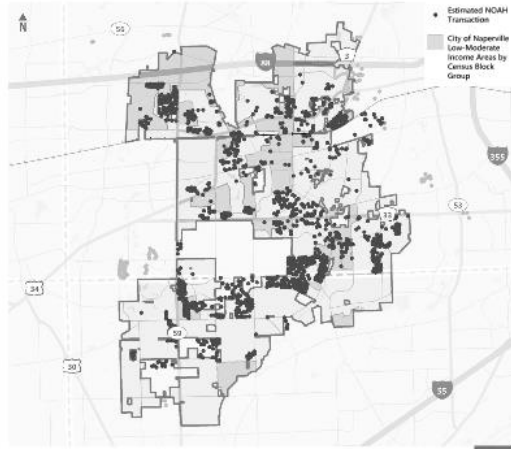
Owner-Occupied Naturally-Occurring Affordable Housing

1.3 Housing Characteristics

NOAH transactions at the 80% affordability level were mapped to illustrate where pockets of naturally occurring for-sale housing exist. These transactions are spread throughout the City and in adjacent unincorporated areas.

The distribution likely reflects the pattern of older housing stock, which was observed to more likely be NOAH. Areas of concentration may reflect historic developments with more affordable price points, and which have maintained their affordability.

ESTIMATED OWNER-OCCUPIED 80% NOAH TRANSACTIONS



Source: City of Naperville; DuPage County (Clerk, Treasurer); Federal Reserve Bank of St. Louis; IHDA; MLS via Midwest Real Estate Data; National Association of Realtors; SB Friedman; U.S. Census Bureau; U.S. Energy Information Administration

Renter-Occupied Naturally-Occurring Affordable Housing

1.3 Housing Characteristics

SB Friedman estimates that approximately 16% of rental units in Naperville are either NOAH units^[1] affordable to residents at 60% of IHDA income limits (12%) or are income-restricted affordable housing (4%). The highest number of units are concentrated in northwest Naperville, with the lowest concentration in the northeast and southern portions of the community.

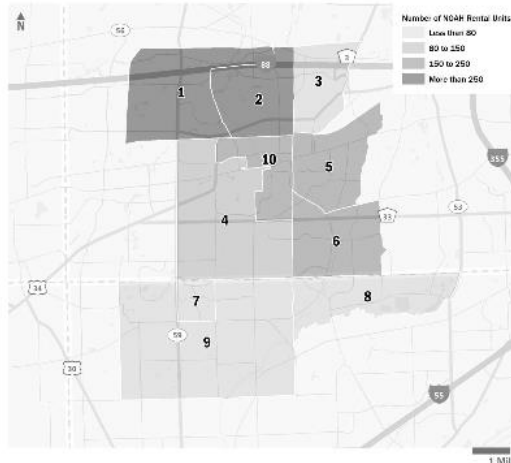
ESTIMATED RENTER-OCCUPIED NOAH

City of Naperville		By Subarea	
Affordable Units: 16%	Estimated NOAH Units: 12%	Subarea 1	313
	Income-Restricted Units: 4%	Subarea 2	266
		Subarea 5	221
		Subarea 10	195
		Subarea 6	186
		Subarea 4	142
		Subarea 3	79
		Subarea 7	69
		Subarea 9	59
		Subarea 8	35
Non-Affordable Units: 84%	Non-Affordable Units: 84%		

[1] For this analysis, SB Friedman defined renter-occupied NOAH units as units with monthly rent (adjusted by bedroom count) per U.S. Census figures at or below IHDA's 2019 60% gross rent limit for the Chicago region which includes DuPage and Will counties.

Source: IHDA; SB Friedman; U.S. Census Bureau; U.S. Dept. of Housing and Urban Development (HUD)

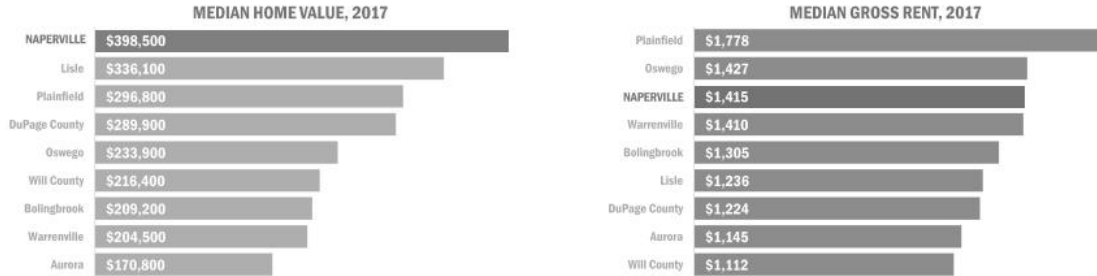
RENTER-OCCUPIED NOAH PRODUCT



Home Values & Rents Relative to Neighboring Communities

1.3 Housing Characteristics

Naperville has high housing prices relative to its neighboring communities. Its median home value exceeds that of neighboring communities and is more than \$60,000 above values in the next highest-priced community. In terms of median gross rent, Naperville is also near the top of the list. While Plainfield is significantly higher and Oswego slightly higher, those communities both have far fewer apartment units than Naperville and rental units are a much smaller share of the housing mix in those communities.



Sources: U.S. Census Bureau, SB Friedman

Housing Affordability Analysis

1.4 Housing Affordability

Given the high median home values and rents, housing affordability appears to be a challenge across several income cohorts. This was confirmed through key informant interviews. SB Friedman evaluated housing affordability through two analyses:

1. Evaluating the number of households at each income cohort relative to the supply of housing available to that cohort; and
2. Reviewing the number and spatial distribution of cost-burdened households, as identified by the Census.

The results of these analyses are presented on the following pages. Separate analyses were undertaken for owner- and renter-occupied housing.

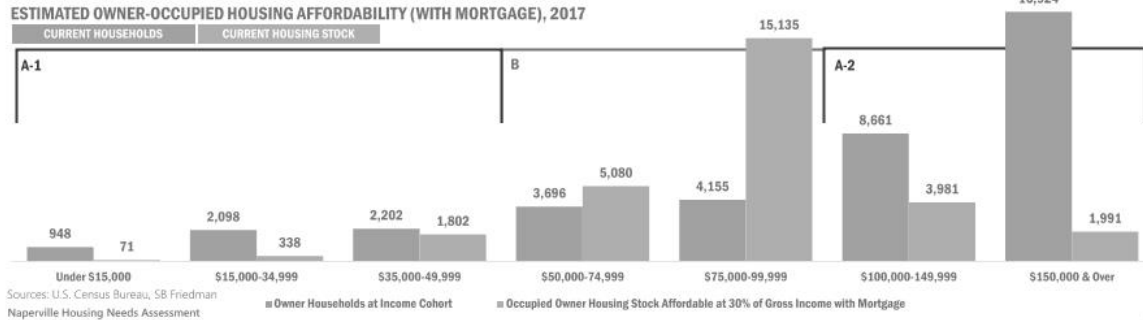
Owner-Occupied Housing Affordability by Income Cohort

1.4 Housing Affordability

Presented below is the number of owner-occupied households at each income cohort relative to the supply of housing available to that cohort. Income groups labeled **A** are those where the number of households exceeded the number of occupied housing units affordable at that level. While group **A-2** can occupy housing at lower affordability levels, group **A-1** is challenged by a lack of affordable units available at their corresponding income level. These households are likely spending more than 30% of total income on housing and are therefore considered cost-burdened.

Many of these households may be long-time homeowners with declining incomes (e.g., seniors) who would be unable to purchase a home with current income levels. However, for supply to match demand (based on the incomes of households owning homes), over 3,000 lower-cost, owner-occupied units would be needed to achieve balance for current Naperville households with incomes below \$50,000.

Income groups labeled **B** are those where the number of occupied housing units affordable at that level exceeds the number of households at that income level.



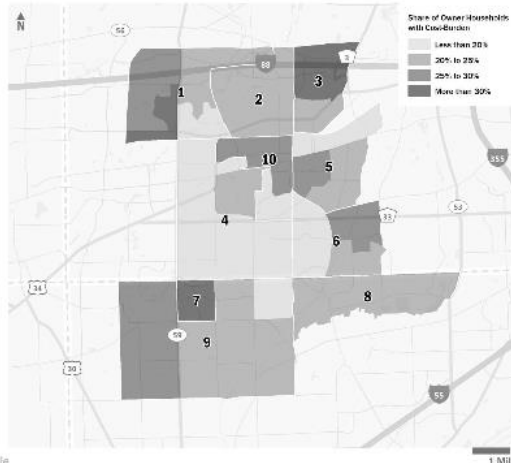
40

Cost-Burdened Owner Households

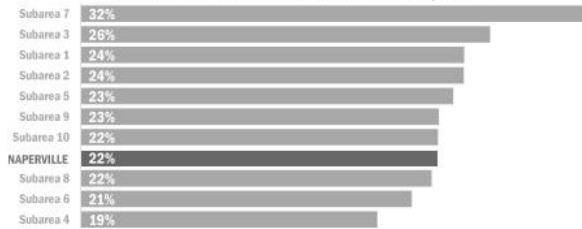
1.4 Housing Affordability

According to Census data, approximately 8,600 households (22% of all homeowners) are housing cost burdened, meaning that housing costs exceed 30% of income. The share of households that are cost burdened generally ranges from 19% to 26% by subarea, though 32% of households in Subarea 7 are cost-burdened.

COST-BURDENED OWNER HOUSEHOLDS BY SUBAREA [1]



COST BURDENED HOMEOWNERS BY SUBAREA, 2017 [1]



[1] Does not include homeowners with no or negative income, less than 1% of all owner-occupied households in Naperville.
Sources: U.S. Census Bureau, Esri, SB Friedman

Naperville Housing Needs Assessment

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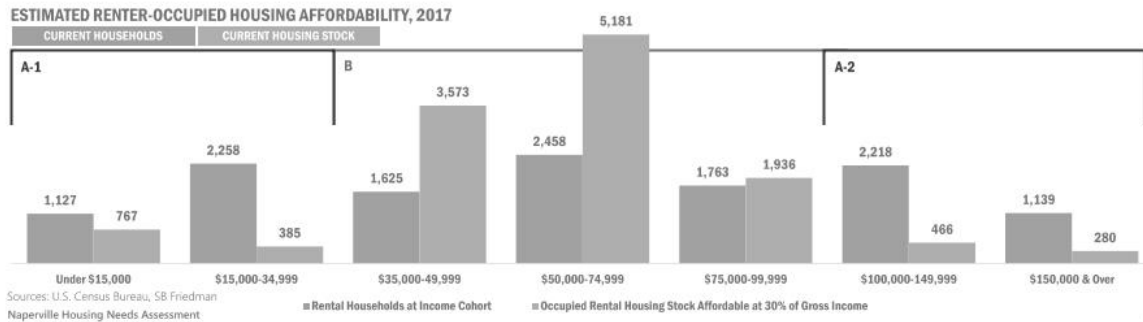
Renter-Occupied Housing Affordability by Income Cohort

1.4 Housing Affordability

Presented below is the number of renter-occupied households at each income cohort relative to the supply of rental units affordable to that cohort. Again, income groups labeled **A** are those where the number of households exceed the number of occupied housing units affordable at that level. While group **A-2** can occupy housing at lower affordability levels; group **A-1** is challenged by a lack of affordable units available at their corresponding income level.

These households are likely spending more than 30% of total income on housing and are therefore considered cost-burdened. Over 2,200 lower-cost, renter-occupied units would be needed to achieve balance for current Naperville households with incomes below \$35,000.

Income groups labeled **B** are those where the number of occupied housing units affordable at that level exceeds the number of households at that income level.

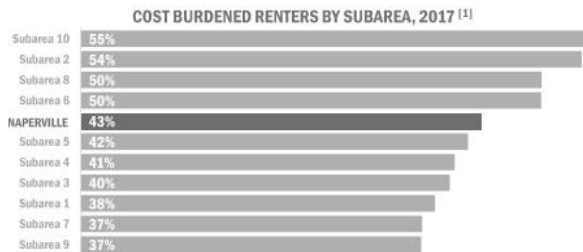


Cost-Burdened Renter Households

1.4 Housing Affordability

Approximately 5,200 households or 43% of all renter households in Naperville are housing cost burdened, based on Census data. Cost-burdened renter households appear to be spread throughout the City; however, rental product is largely concentrated in the northern portion of the City.

COST-BURDENED RENTER HOUSEHOLDS BY SUBAREA [1]

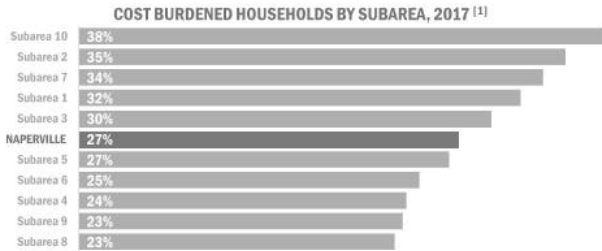


[1] Does not include renters with no or negative income or which pay no rent, approximately 5% of all renter-occupied households in Naperville.
Sources: U.S. Census Bureau, Esri, SB Friedman

Cost-Burdened Households Overall

1.4 Housing Affordability

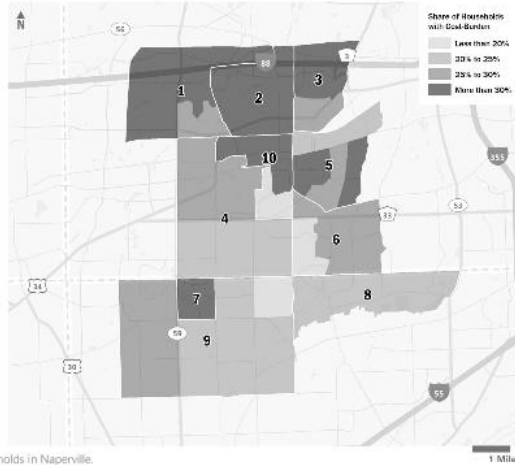
Overall, approximately 14,200 households or 27% of all households in Naperville are housing cost burdened, based on Census data. Cost-burdened households appear to be concentrated in the northern portion of the City where there is the most rental product.



[1] Does not include households with no or negative income or renters which pay no rent, approximately 2% of all households in Naperville.
Sources: U.S. Census Bureau, Esri, S8 Friedman

Naperville Housing Needs Assessment

COST-BURDENED HOUSEHOLDS OVERALL BY SUBAREA ^[1]



Other Affordability Challenges

1.4 Housing Affordability

In recent years, population growth has slowed, and the City has become nearly built-out. The lack of additional developable land, combined with the desirability of the community, is driving several housing-related issues, particularly in terms of housing affordability and constrained supply at certain price points. Furthermore, the lack of land has increased land pricing to a level where building new housing at lower, more affordable price points may be infeasible without public intervention.

Key informants indicated that housing affordability challenges are impacting not only lower-income households, but middle- and working-class households as well. Households experiencing affordability challenges include:

- Seniors Looking to Downsize.** Key informants confirmed that there is a limited supply for seniors seeking to downsize from their single-family homes into another housing product while maintaining or reducing current housing costs in Naperville. These seniors are primarily seeking housing that is accessible (e.g., ranch home or first-floor master bedroom), smaller and in walkable locations. Many seniors are remaining in their single-family homes due to the constrained supply, which is limiting turnover and available inventory in the market.

- Entry-Level Home Buyers.** Interviews with stakeholders indicated that finding an entry-level unit can be challenging for younger households. This is primarily due to a limited supply of lower-cost single-family homes, which is being further constrained by teardowns. While there are more affordable attached units available for purchase, many appear to be dated and do not offer the environment typically preferred by younger families in terms of walkability and proximity to amenities.
- Workforce.** Naperville workers similarly have limited options. Given that the income required to purchase a Naperville home at the average sale price in 2019 was approximately \$100,000, at least two household members with typical Naperville incomes would be needed to purchase a house at an affordable level. Even renting an apartment at the median rent level, typically understood to be a more affordable option, would likely only be affordable to single-earners in professions with higher incomes (e.g., Professional and Business Services or Construction). Typical incomes in other industries appear to be insufficient to afford an apartment at the median rent level.

Naperville Housing Needs Assessment

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Other Unmet Housing Needs

1.5 Other Unmet Housing Needs

Key informants also indicated unmet housing needs for the following groups:

- **Housing for People with Special Needs.** Households with special needs are challenged to find accessible or adaptable housing units near public transportation and available resources. Interviewees suggested there are no City requirements regarding universal design for new construction units, though projects receiving CDBG funds must meet ADA-accessibility standards. Limitations on the availability of affordable housing has also pushed service providers into considering how to provide housing for targeted populations. Multiple service providers indicated they would prefer to focus on service provision, while working in conjunction with affordable housing professionals who could provide housing.
- **Housing for the Homeless.** Homeless populations or those at the risk of homelessness are challenged to find short-term, transitional, and supportive housing. There are several programs who own units in the City or whose coverage area includes Naperville. However, key informants indicated the need for additional resources and housing units to meet unmet needs.
- **Housing for Veterans.** Members of the Housing Advisory Commission indicated that veterans are also challenged to find transitional and/or accessible/adaptable units in Naperville.

2. NAPERVILLE IN THE FUTURE

Understanding the impact of population and employment growth and changing housing preferences on Naperville.

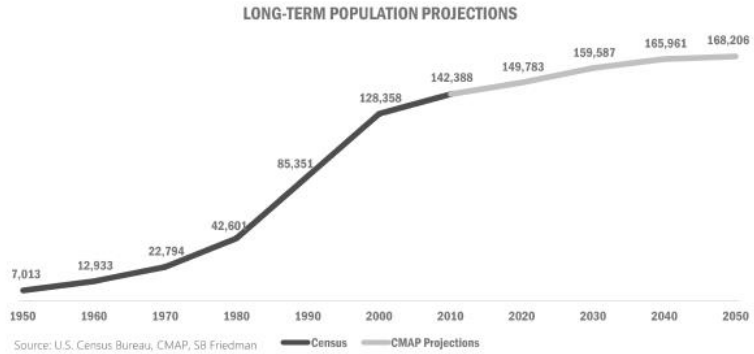
Long-Term Population Projections

2.1 Projected Trends

Despite limited undeveloped sites in Naperville and adjacent unincorporated areas, the City is projected to grow through at least 2050. However, growth is anticipated to occur at a rate much lower than experienced previously in Naperville.

CMAP projects the City's population will grow to 168,200 by 2050, with an overall average annual growth rate of 0.4% through 2050. Near-term, CMAP projects population to grow, on average, 0.7% annually through 2024, as compared to a 0.4% annual growth rate from 2000-2017.

CMAP population projections, relative to historic census estimates, are presented to the right.

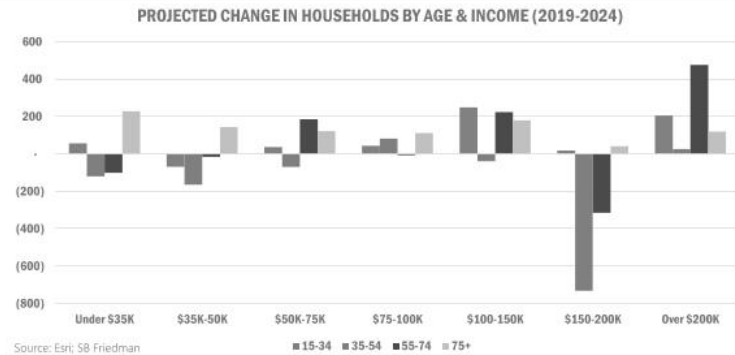


Near-Term Projected Growth in Households by Age & Income

2.1 Projected Trends

Demographers from Esri are projecting a lower near-term annual growth rate of 0.4% from 2019 to 2024. Growth in households by age and income cohort, as projected by Esri, is presented to the right.

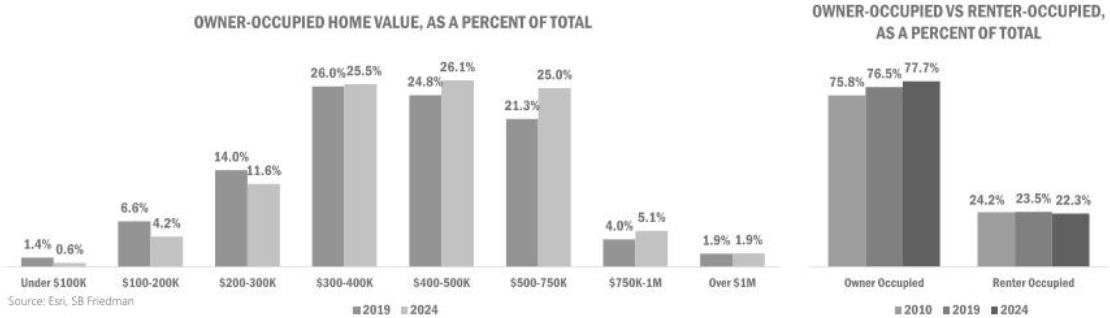
In aggregate, Esri is projecting a shift related to the aging of the Naperville population, with a loss of households ages 35-54 and growth of older households. The cohort with the greatest increase in households is age 55-75 with a household income over \$200,000 per year.



Near-Term Projected Growth in Households by Age & Income

2.1 Projected Trends

Demographers from Esri are also projecting a near-term increase in owner-occupied home values and owner-occupied households by 2024, as presented below. This indicates that affordability challenges and a constrained supply of rental product will likely continue without City intervention.



Housing Needs Forecast

2.2 Housing Needs Forecast

To evaluate the impact of population growth on the housing market, SB Friedman prepared a housing needs forecast model.

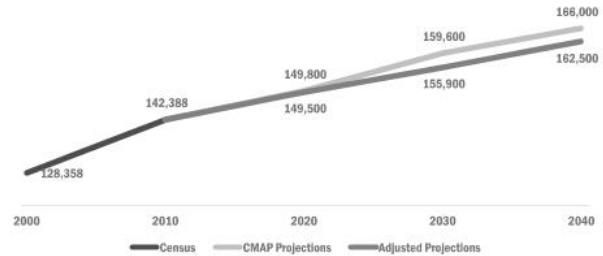
The model incorporates population projections from CMAP, which allocates regional demand to communities based on a number of socioeconomic factors. However, it is important to note that given Naperville's status as a nearly landlocked community, to achieve the CMAP population projections, the City would need to make a policy decision to increase residential density throughout the City. After discussions with City staff, SB Friedman utilized slightly more conservative population projections for the purposes of this analysis, which align with the 0.4% annual growth rate experienced from 2010 to 2017 and Esri near-term projections.

The model evaluates projected households by income cohort, relative to existing housing affordable to that cohort (assuming 30% of gross income is spent on housing). The identified gap between households and housing stock is indicative of unmet future housing needs.

Unmet needs were identified for two time periods, as requested by the City:

- 2025 (projected population of 152,700); and
- 2040 (projected population of 162,500).

LONG-TERM POPULATION PROJECTIONS



The results of the demand forecast for both rental and owner households are presented on the following pages.

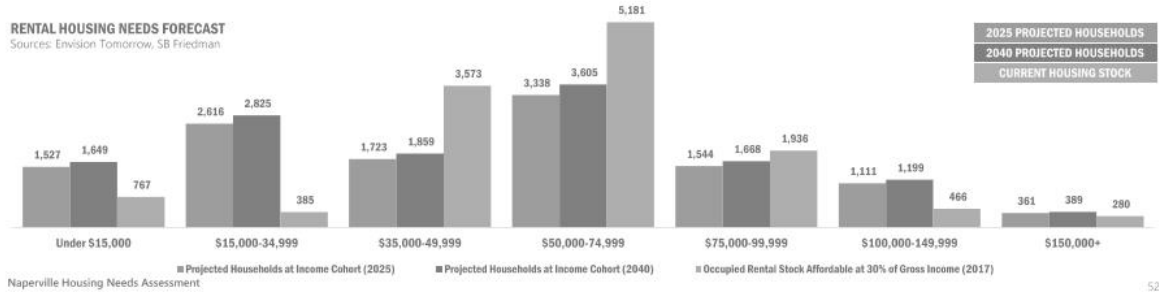
Housing Needs by Renter Income Cohort

2.2 Housing Needs Forecast

Existing rental households with incomes below \$35,000 are cost-burdened and renting at higher price points due to a constrained supply. By 2025 an additional 3,000 homes appear to be required to meet the needs of existing and projected very low-income (incomes below \$15,000) and low-income (incomes below \$35,000) rental households. That figure increases to 3,300 by 2040.

Given that these households are currently renting higher cost homes, there is a projected surplus of housing for those earning between \$35,000 and \$100,000. Should price-appropriate homes be built for the lower income population, there would likely be available housing stock for middle-income households.

It appears there will be continued demand for rental households with incomes of \$100,000 or more who may be seeking higher-end rental options than what are currently available.

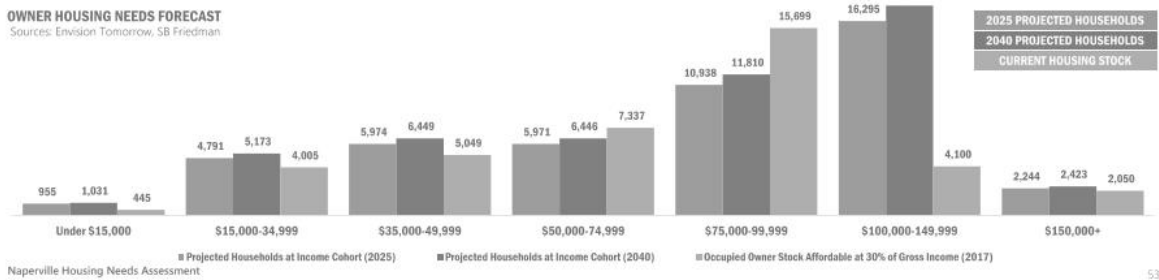


Housing Needs by Owner Income Cohort

2.2 Housing Needs Forecast

For owner households, there is projected to be an additional 2,200 owner households earning less than \$50,000 annually that will be cost-burdened by 2025 and 3,200 by 2040. This unmet need reflects in part that there are some homeowners who had higher incomes at the time their homes were purchased but could not afford to purchase a new home today regardless of price point. Households with very low incomes often cannot afford to purchase homes in any market, given the need for a down payment, ability to secure a mortgage and need to cover ongoing and often unexpected housing maintenance. Certain households may be interested in shifting to rental product that could reduce some of the burdens of homeownership for households with fixed or unreliable incomes. However, there may be an opportunity for the City to support development or preservation of NOAH units affordable to lower-income households, particularly at the \$35,000-49,999 cohort.

While there appears to be a surplus of homes affordable to incomes between \$50,000 and \$100,000, both lower- and higher-income households are occupying homes at these price points. There continues to be housing demand for owner households with incomes of \$100,000 or more; however, these households frequently pay less than 30% of gross income on housing. Furthermore, the market appears to be responding to demand at price points affordable to this income cohort.



Housing Needs from Workforce Balance & Growth

2.2 Housing Needs Forecast

It is also important to ensure that appropriate housing stock is available and affordable to Naperville workers who wish to live closer to their workplace. As discussed previously, only 14.9% of the 83,000 Naperville workers also live in the City. By 2027, it is projected that Naperville will add an additional 4,000 jobs, as presented below. Much of the growth is anticipated to occur in Professional and Business Services and Healthcare where the average salaries are \$78,000 and \$66,000 respectively. These incomes could support monthly housing costs ranging from \$1,650-1,950.



Sector	Total Number of Jobs, 2027	Projected Jobs Added, 2017-2027	Estimated Annual Wage ^[2]	Upper Limit for Monthly Affordable Housing Cost ^[2]
Retail	17,300	500	\$34,000	\$850
Healthcare	13,500	1,100	\$66,000	\$1,650
Construction / Other	2,000	200	\$70,000	\$1,750
Professional and Business Service	35,400	2,000	\$78,000	\$1,950
Manufacturing	1,700	(100)	\$37,000	\$925
Transportation/Utilities/Wholesale Trade	5,500	200	\$41,000	\$1,025

[1] Non-government employment
 [2] 2017 dollars.

Source: BLS OES; LEHD; Moody's; SB Friedman

Future Housing Preferences

2.2 Housing Needs Forecast

A constrained supply of land available for residential development is likely to impact the type of new product that can be built in Naperville going forward. Much of the residential growth will need to occur through changes in land use and redevelopment of existing sites. This is likely to result in a shift toward product types with more density (i.e., multifamily product, townhomes or other attached single-family) and small-lot single-family homes. This shift aligns with wider trends in residential development, both regionally and nationally, that is leading to more compact development. In the future, it is also anticipated that there will be more renters who could afford to own a home, but still choose to rent.

To achieve a balanced housing profile – accounting for both existing cost-burdened households and projected population growth – there appears to be the need for 6,900-8,600 new housing units by 2025 and 11,700-13,000 new units by 2040. Over the long-term (to 2040), this would amount to the construction of 510-565 units per year. For comparison purposes, the City added an average of ±340 units per year from 2010 to 2017.

Of these projected units, 5,200 units are needed to address existing housing gaps for low-income households (2,200 for current renter households with incomes below \$35,000 and 3,000 for current owner households with incomes below \$50,000).

3. CONCLUSIONS

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Conclusions Housing Needs Assessment

NAPERVILLE TODAY

Naperville is both a desirable residential community and a major employment center in the Chicago region. The City's residential population is predominantly higher-income households comprising families with children at home and empty-nesters, while the workforce consists of a mix of professional and business services, retail and health care sectors. Much of the Naperville workforce lives outside of the City, while most City residents commute elsewhere for work and earn higher incomes than those working in the City.

The City maintains a somewhat diverse housing stock (62% single-family detached) with a median year built of 1988 and high occupancy (96%). The concentration of single-family detached housing, as a percentage of total housing stock, generally increases as you move from the northwest to the southeast. Approximately 75% of housing units are owner-occupied. The median home value is approximately \$399,000, while the median rent is \$1,415 per month. To afford this housing, owners would need to earn approximately \$100,000 per year, while renters would need to earn \$57,000 per year.

New construction owner-occupied units are generally located near downtown Naperville and along the perimeter of the City. New construction near downtown generally replaces smaller, lower-cost entry-level housing that has been torn down.

Newer owner-occupied product sold at a 40% premium to the median home value in 2019, while newer renter-occupied units leased at a 25% premium to median rents.

Senior and income-restricted housing is very limited, with senior and income-restricted units accounting for 19% and 4% of all rental units respectively. Senior housing is predominantly nursing care. SB Friedman estimates that approximately 21% of Naperville's owner-occupied housing could be considered naturally-occurring affordable housing (NOAH) at 80% affordability levels, this increases to 66% at the 120% affordability level (attainable/workforce housing). Approximately 12% of rental units are NOAH at the 60% affordability level.

Given the high home values and rents, housing affordability appears to be a challenge across several income cohorts. Approximately 20-22% of existing homeowners and 38-44% of renters are currently paying more than 30% of their gross income on housing. These households are considered cost-burdened and many are low-income. Therefore, there appears to be a considerable need for both owner- and renter-occupied affordable and income-restricted housing throughout the City to meet current residents' needs.

In recent years, population growth has slowed, and the City has become nearly built-out. The lack of additional developable land, combined with the desirability of

Naperville Housing Needs Assessment

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Conclusions

Housing Needs Assessment

the community, is driving several housing-related issues, particularly in terms of housing affordability and constrained supply at certain price points.

Furthermore, the lack of developable land has increased property values to a level where building new housing at lower price points is challenging. Key informants indicated that housing affordability challenges are impacting not only lower-income households, but middle- and working-class households as well, particularly seniors looking to downsize, entry-level home buyers, and Naperville workers who wish to live closer to their workplace. Key informants also indicated unmet housing needs for people with special needs, those currently facing or at risk of homelessness, and veterans.

NAPERVILLE IN THE FUTURE

Naperville's population is projected by the Chicago Metropolitan Agency for Planning (CMAP) to grow through 2050, despite limited available sites for residential development. Change in City policies and redevelopment at a higher density would be required to achieve this level of population growth. In the near term, Esri projects that the population will become older and more affluent, with a near-term increase in owner-occupied home values and owner-occupied households by 2024.

A constrained supply of land available for residential development is likely to impact the type of new product that can be built in Naperville going forward. Much of the

residential growth will need to occur through changes in land use and redevelopment of existing sites. This is likely to result in a shift to more dense and small-lot development, including additional multifamily product and attached single-family homes. This shift aligns with broader trends in residential development, both regionally and nationally, that are leading to more compact development. However, key informants indicated that denser development may face some opposition from existing residents.

SB Friedman prepared a housing needs forecast for both renter and owner households. The model incorporates population projections from CMAP, which allocates regional demand to communities based on a number of socioeconomic factors. However, it is important to note that given Naperville's status as a nearly landlocked community, to achieve the CMAP population projections, the City would need to make a policy decision to increase residential density throughout Naperville. After discussions with City staff, SB Friedman utilized slightly more conservative population projections based on recent population growth rates for the purposes of this analysis.

Unmet needs were identified for two time periods, as requested by the City: 2025 and 2040. The results of the analysis indicate that to achieve a balanced housing profile - where appropriate unit types are available and affordable to anticipated households (accounting for both existing cost-burdened households and projected

Conclusions

Housing Needs Assessment

population growth) - there appears to be the need for 6,900-8,600 new housing units by 2025 and 11,700-13,000 new units by 2040. Over the long-term (to 2040), this would amount to the construction of 510-565 units per year. For comparison purposes, the City added an average of ± 340 units per year between 2010 and 2017.

Approximately 6,500 of the projected units appear to be needed by 2040 to alleviate housing cost burdens for households at lower incomes.

Additional units are also anticipated to be needed to address unmet housing needs identified by key informants. This includes a constrained supply of housing for seniors looking to downsize, entry-level home buyers, Naperville workers, people with special needs, those currently facing or at risk of homelessness, and veterans.

TOOLKIT TO ADDRESS UNMET HOUSING NEEDS

The City can begin to address housing-related challenges and work towards establishing a diversity of housing at a variety of price points by:

- Implementing proactive housing programs;
- Modifying regulations;
- Identifying and leveraging financing mechanisms; and
- Undertaking housing-related strategic planning.

The programs, policies and strategies outlined on pages 60-70 range from action steps that are immediately feasible to those that, with more complex implementation, may require longer-term efforts.

4. TOOLKIT TO ADDRESS UNMET HOUSING NEEDS

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Toolkit to Address Unmet Housing Needs

SB Friedman has identified several programs, policies, and strategies that the City can implement to begin to address the housing-related challenges identified above. These programs, policies, and strategies are outlined below, and discussed further on the following pages. Each is classified relative to the complexity of implementation.

IMMEDIATELY FEASIBLE	INTERMEDIATE <small>(which typically require identifying a funding source)</small>	COMPLEX, BUT EFFECTIVE
Any 1 of the programs, policies or strategies could be implemented within 6 months to 1 year. Several could move in parallel depending on available staff time/resources.	Typically require identifying a funding source, which may take longer than 1 year.	Typically require both identifying a funding source and identifying/establishing a high-capacity partner.

HOUSING PROGRAMS	REGULATORY OPTIONS	FINANCING MECHANISMS	STRATEGIC PLANNING
<ul style="list-style-type: none"> • Develop a Community Land Trust • Implement Deed-Restricted Housing • Establish a Revolving Rehabilitation Loan Fund • Establish Grant/Forgivable Loan Program • Establish Down-Payment Assistance Program 	<ul style="list-style-type: none"> • Implement an Inclusionary Zoning Ordinance • Amend Zoning Code to Allow Accessory Dwelling Units • Identify Areas to (Re)zone for Residential Uses • Encourage Small-Lot and Attached Housing 	<ul style="list-style-type: none"> • Establish a Housing Trust Fund • Develop Strategy for Use of TIF & Other Tax Capture Programs to Address Housing Needs • Implement a Teardown Tax • Consider Changes to Community Development Block Grant Program • Leverage County HOME Consortium • Support Employer-Assisted Housing • Promote Impact Investing 	<ul style="list-style-type: none"> • Create Housing-Specific Staff Position(s) within City Government or a Partner Organization • Establish Additional Resources to Assist Populations with Special Housing Needs • Develop a Strategy to Leverage Publicly-Owned Land to Address Housing Challenges • Identify Surplus Land Held by Major Landowners • Develop Strategic Plan to Preserve NOAH • Develop Working Relationships with Affordable Housing Developers • Assist in Assembling Sites for Housing

Naperville Housing Needs Assessment

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Toolkit: Housing Programs

	NAME	OVERVIEW	FEASIBILITY / KEY CONSIDERATIONS	KEY DECISION POINTS / NEXT STEPS
IMMEDIATELY FEASIBLE	Implement Deed-Restricted Housing	Deed restrictions are often included for affordable housing units receiving public subsidies to enhance long-term affordability for homebuyers. New homeowners execute a deed covenant stipulating that the home will be sold to a low-income household in the future under an established formula. In some cases, use and resale restrictions are instead appended to a homeowner's mortgage. Deed restricted housing (DRH) is often the result of inclusionary mandated and affordable housing incentives.	DRH offers homeowners a limited return on investment and restrictive covenants often lapse after a specified period of time. This program would be most relevant for new owner-occupied developments receiving direct City funding.	<ul style="list-style-type: none"> Determine the criteria and length of time for covenants Identify potential developers/partners (e.g., Habitat for Humanity) to partner with in developing DRH Monitor DRH units over time (possibly with assistance of county)
COMPLEX BUT EFFECTIVE	Develop a Community Land Trust*	Community Land Trusts (CLTs) acquire and maintain permanent ownership of land to ensure long-term affordability of housing units. Residents purchase and own a home and enter a long-term (usually 99-year) lease with the CLT. By separating the ownership of land and housing, CLTs provide low- and moderate-income households with an opportunity to build equity through homeownership. CLTs employ resale formulas to give homeowners a moderate return on investment and maintain affordable pricing for future homeowners. CLTs can also lease multifamily properties, in which leaseholders are subject to the same resale restrictions.	CLTs require that a new non-profit organization be created, with a board of directors, organizational structure, and funding source. A CLT can build its capacity over time to also develop new affordable for-sale and rental housing and provide other housing services for the City, developers, and residents, such as administering other housing-related programs.	<ul style="list-style-type: none"> Evaluate technical assistance options (i.e., Grounded Solutions Network, local CLTs) Identify which unmet housing needs will be a focus of the CLT Identify possible funding sources for operations and land or property acquisition Identify governance structure and mission and establish a non-profit organization Determine potential for land acquisition and potential partners (i.e., Habitat for Humanity)

*Also a Metropolitan Mayors Caucus (MMC), Chicago Metropolitan Agency for Planning (CMAP), and Metropolitan Planning Council (MPC) recommendation
Naperville Housing Needs Assessment

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Toolkit: Housing Programs

	NAME	OVERVIEW	FEASIBILITY / KEY CONSIDERATIONS	KEY DECISION POINTS / NEXT STEPS
INTERMEDIATE	Establish a Revolving Rehab Loan Fund	Revolving rehabilitation loan funds provide loans to homeowners to rehabilitate their homes and/or make needed accessibility modifications. Typically revolving rehabilitation loan funds have criteria such as home age, type of improvement, cost of improvement, resident income, etc. Recipients of the loan typically would not be able to receive a loan from a traditional bank, and loans are generally offered at lower interest rates.	<p>An initial funding source would be required to support the program; however, over time, loan programs could become self-sufficient. CDBG could be an initial funding source.</p> <p>A program administrator would be needed to review/approve applications and manage/track payments.</p>	<ul style="list-style-type: none"> Identify organization or City department to administer program (ensure homeowners complete improvements, disburse and service the loans) Identify funding source Determine eligibility criteria and fund requirements
INTERMEDIATE	Establish Grant/ Forgivable Loan Program	Grants and forgivable loan programs also assist homeowners with rehabilitating their homes and/or making needed accessibility modifications. Awards may be grants or loans which are forgiven once a homeowner satisfies certain conditions (such as length of residency)	<p>Requires identification of an ongoing funding source. CDBG could be one potential source.</p> <p>A program administrator would be needed to review/approve applications and manage/track payments.</p>	<ul style="list-style-type: none"> Identify organization or City department to administer program (ensure homeowners complete improvements, disburse and service the loans) Identify funding source Determine grant/fund structure and criteria
INTERMEDIATE	Establish Down-Payment Assistance Program	Down-payment assistance programs reduce barriers to homeownerships for households that can afford the monthly mortgage payments but face barriers in saving sufficient funds for a down payment. The program could be focused on entry-level home buyers and Naperville workers who are otherwise challenged to find housing in Naperville. Down-payment assistance is typically offered as either a grant or second mortgage. Second mortgages can be structured as an installment loan for moderate-income households or a deferred loan due at a future date (i.e., upon sale or transfer of the home) for lower-income households.	<p>An initial funding source would be required to support the program; however, over time, loan programs could become self-sufficient.</p> <p>A program administrator would be needed to review/approve applications and manage/track payments.</p>	<ul style="list-style-type: none"> Identify an initial funding source Determine targeted populations eligible for down-payment assistance Identify program administrator Determine financing terms (grants vs. loan, interest rates, repayment options, etc.) Outline application requirements

Naperville Housing Needs Assessment

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Toolkit: Regulatory Options

	NAME	OVERVIEW	FEASIBILITY / KEY CONSIDERATIONS	KEY DECISION POINTS / NEXT STEPS
INTERMEDIATE	Implement an Inclusionary Zoning Ordinance*	<p>Inclusionary zoning (IZ) links the production of affordable housing to private market-rate residential development through mandatory or voluntary inclusion of units affordable to low- and moderate-income households. In exchange, developers generally receive offsetting benefits, such as density bonuses, zoning variances, financial incentives, or expedited permitting.</p> <p>Inclusionary units could begin to address unmet needs for low-income households, Naperville workers, people with special needs and veterans.</p> <p>Regionally, Chicago, Evanston, Lake Forest and Highland Park have mandatory inclusionary zoning policies, while several other midwestern suburbs such as St. Charles, IL, Edina, MN, and St Louis Park, MN have successfully implemented incentive-based inclusionary zoning policies.</p>	<p>IZ ordinances can impact the financial feasibility of development. Therefore, careful testing should be done to calibrate an IZ ordinance to the local market, considering market rents and construction costs.</p> <p>Implementing an IZ ordinance will require City Council approval.</p>	<ul style="list-style-type: none"> Conduct outreach with potential housing developers to understand how an IZ policy would impact their decision to develop in Naperville Decide whether the policy would be mandatory or voluntary, and if there is a geographic criteria Identify targeted percent of affordable units, income levels and criteria for building the affordable units (i.e. onsite or offsite, required affordability period, etc.) Evaluate the financial feasibility of the desired set-aside percentage, income levels and other criteria by testing the impacts on prototypical projects Decide whether a fee-in-lieu of developing the units will be allowed, and if so, carefully calibrate that fee and establish a plan for using the fee-in-lieu funds.
IMMEDIATELY FEASIBLE	Amend Zoning Code to Allow Accessory Dwelling Units	<p>Accessory dwelling units (ADUs) are small rental dwelling units on single-family home lots. ADUs can be contained within the principal dwelling unit (i.e. basement apartment) or within a separate structure entirely (i.e. carriage house or apartment above a detached garage). ADUs increase attainable rental options, present potential new income streams for homeowners, and provide additional living arrangement options (i.e. family members or caretakers living onsite) for seniors or other residents with special needs.</p>	<p>The City zoning ordinance would need to be amended to allow ADUs.</p> <p>Implementation would require the buy-in/support of elected officials and may require education of residents.</p>	<ul style="list-style-type: none"> Evaluate alternate forms of ADUs and determine applicability to Naperville Conduct public education regarding ADUs

*Also a Metropolitan Mayors Caucus (MMC), Chicago Metropolitan Agency for Planning (CMAP), and Metropolitan Planning Council (MPC) recommendation
Naperville Housing Needs Assessment

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Toolkit: Regulatory Options

	NAME	OVERVIEW	FEASIBILITY / KEY CONSIDERATIONS	KEY DECISION POINTS / NEXT STEPS
IMMEDIATELY FEASIBLE	Identify Areas to (Re)zone for Residential Uses	<p>Rezoning underutilized commercial areas and expanding residential zoning districts would support development of additional housing units. Municipalities can adjust zoning codes to allow for a variety/mix of housing types, relax caps on number of units, increase densities, and more. Allowing residential units to be built in a variety of places could create more housing options at a variety of price points.</p>	<p>The City can leverage the land use analysis conducted as part of Comprehensive Plan update. While zoning may be adjusted to accommodate more residential units, the market will still determine feasibility of adding residential units and the type of residential development that is feasible.</p> <p>Incentives or other strategies may be required to ensure a mix of price points or housing types consistent with City objectives. Zoning amendments will require City Council approval.</p>	<ul style="list-style-type: none"> Evaluate existing land uses and identify areas appropriate for land use transition or accommodation of mixed residential and commercial uses Amend zoning code
INTERMEDIATE	Encourage Small-Lot and Attached Housing*	<p>Small-lot and attached housing increases density on a site, allowing additional units to carry high land acquisition costs. This could result in lower-cost housing that may be attractive to entry-level homebuyers and seniors looking to downsize into more economical housing. This product typology includes cottage clusters which are a group of smaller detached housing units that are clustered around a common open space.</p>	<p>Residential developers are often very specialized. The City would need to find a developer that is interested and willing to undertake this sort of development.</p> <p>Given the strong demand for housing in Naperville, the City may need to incentive developers to undertake this sort of development, rather than larger-lot higher value single-family homes.</p>	<ul style="list-style-type: none"> Identify suitable land and potential developers Determine if current zoning code allows for these typologies and amend if needed

*Also a Metropolitan Mayors Caucus (MMC), Chicago Metropolitan Agency for Planning (CMAP), and Metropolitan Planning Council (MPC) recommendation
Naperville Housing Needs Assessment

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Toolkit: Financing Mechanisms

	NAME	OVERVIEW	FEASIBILITY / KEY CONSIDERATIONS	KEY DECISION POINTS / NEXT STEPS
INTERMEDIATE	Establish a Housing Trust Fund*	A housing trust fund can be generated from a variety of sources (including local revenue streams, Federal entitlement funds, fees paid by developers, private grants/donations, interest from government accounts, City general funds, etc.) to support a range of housing programs and investments. Typically funds are created to support housing needs for target populations, types of projects, or geographies.	To be most effective, housing trust funds must have a consistent source of funding. CDBG is one potential source of funding. Clear guidelines for providing trust fund dollars must be established. Depending on the funding source, the creation of the fund, as well as disbursement, may require City Council approval.	<ul style="list-style-type: none"> Determine funding source and size of fund Identify eligibility criteria such as target populations, project types, types of assistance (i.e., gap financing), etc. Consider administrative structure and mechanism to distribute funds
IMMEDIATELY FEASIBLE	Develop Strategy for Use of TIF & Other Tax Capture Programs to Address Housing Needs	TIF & other tax capture programs allow for the generation of local revenue to contribute to a fund that can be used as an incentive for development of a variety of housing types. Examples of tax capture programs include Tax Increment Financing (TIF), Business Districts (BD), Special Service Areas (SSA), and Sales Tax.	<p>Use of TIF or other tax capture mechanisms can provide a dedicated revenue stream to support City housing objectives.</p> <p>Site eligibility criteria apply to certain programs (TIF, BD) and revenues need to be spent within defined geographies with TIF, BD and SSAs.</p> <p>Some programs put an extra burden on residents, business owners, or developers. Tax capture policies may require City Council approval.</p>	<ul style="list-style-type: none"> Identify appropriate programs to meet City needs Conduct eligibility analysis, including evaluating revenue generation potential Evaluate local support of those who would be impacted by tax capture method Determine priorities for using the funding source
IMMEDIATELY FEASIBLE	Implement a Teardown Tax	A teardown tax is a fee on builders, developers and homeowners that are tearing down existing housing to build new construction. The tax may be applied to certain geographies. Demolition of existing housing stock, often naturally occurring affordable/attainable housing (NOAH), limits the supply of entry-level and lower cost housing. Revenue generated from the teardown tax can be allocated to a housing trust fund or other fund to support housing needs.	A teardown tax can provide a dedicated revenue stream to support City housing objectives. As identified in the earlier analysis, there are specific neighborhoods a teardown tax may be applied to, or it can be applied to the entire City. The tax puts an extra burden on developers and could exempt homeowners that have lived in the housing unit for a defined period of time before demolition.	<ul style="list-style-type: none"> Determine geographic boundary, if any, and fee structure (i.e. size of teardown, cost of new construction, flat-rate, etc.) Conduct outreach with potential housing developers to understand impact to development decisions Determine fund to allocate revenue and priorities for using the funding source

*Also a Metropolitan Mayors Caucus (MMC), Chicago Metropolitan Agency for Planning (CMAP), and Metropolitan Planning Council (MPC) recommendation
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Toolkit: Financing Mechanisms

	NAME	OVERVIEW	FEASIBILITY / KEY CONSIDERATIONS	KEY DECISION POINTS / NEXT STEPS
IMMEDIATELY FEASIBLE	Consider Changes to Community Development Block Grant (CDBG) Program	The City appears to use its CDBG allocation primarily for social service and housing-related programs and rehab projects, rather than creation of additional units. The targeted use of CDBG funds could support the development of new affordable and/or accessible housing in Naperville if a nonprofit organization was established and approved by HUD to use CDBG funds for new construction. There is the possibility to use CDBG funding in other ways to support unit creation (conversion & rehabilitation of existing non-residential buildings to residential uses).	Given that existing programs likely rely on CDBG funding, it may be challenging to reallocate funds. Alternate funding streams and the establishment of a community development organization recognized by HUD to may be needed for program support.	<ul style="list-style-type: none"> Define long-term housing goals as part of Consolidated Planning process. Establish or support an existing community development organization to be recognized by HUD to use CDBG funds for new construction. Modify City CDBG policies and practices to achieve long-term housing production goals. Publicize availability of CDBG funds to support affordable and/or accessible housing development.
IMMEDIATELY FEASIBLE	Leverage County HOME Consortium	The HOME Investment Partnerships (HOME) program, funded by HUD is a federal block grant that is used to create affordable housing for low-income households. Funds are allocated annual to provide financial assistance to government agencies and non-profit and for-profit organization to build, buy, and rehabilitate affordable housing for rent or ownership, or to provide direct rental assistance to low-income households.	HOME funds are allocated to a County Consortium. The City can work with the consortium to ensure that a portion of the allocation is deployed in Naperville to address unmet housing needs.	<ul style="list-style-type: none"> Collaborate with the County Consortium to advocate for more HOME funding to be used in Naperville

*Also a Metropolitan Mayors Caucus (MMC), Chicago Metropolitan Agency for Planning (CMAP), and Metropolitan Planning Council (MPC) recommendation
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Toolkit: Financing Mechanisms

	NAME	OVERVIEW	FEASIBILITY / KEY CONSIDERATIONS	KEY DECISION POINTS / NEXT STEPS
INTERMEDIATE	Support Employer-Assisted Housing	Employer assisted housing programs can include employers developing housing for their employees or providing direct assistance to their employees through down-payment assistance, closing cost assistance, mortgage guarantee, home buyer education and counseling, etc. Local governments can maximize the likelihood of employer involvement in housing by offering financial incentives to augment or offset private contributions and by facilitating collaboration with nonprofit organizations that work with interested employers to design and manage housing benefit programs.	The City will need to identify and work with key local employers to convey the importance of having affordable/attainable housing in Naperville for their employees.	<ul style="list-style-type: none"> Educate local employers on employer assisted housing programs and the benefits Determine ways the City can incentivize local employers to establish employer assisted housing programs
COMPLEX BUT EFFECTIVE	Promote Impact Investing	Philanthropic foundations and anchor institutions typically utilize diverse investment portfolios to generate funds needed to pursue their missions. Entities that engage in impact investing can allocate a portion of their investment funds towards community-based organizations or projects that generate positive social outcomes, including addressing housing challenges for low-income and special needs populations.	Naperville will need to identify a partner(s) who would want to invest in housing in the community.	<ul style="list-style-type: none"> Conduct outreach and marketing to philanthropic foundations and anchor institutions Determine priorities for investment

*Also a Metropolitan Mayors Caucus (MMC), Chicago Metropolitan Agency for Planning (CMAP), and Metropolitan Planning Council (MPC) recommendation
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Toolkit: Strategic Planning

	NAME	OVERVIEW	FEASIBILITY / KEY CONSIDERATIONS	KEY DECISION POINTS / NEXT STEPS
IMMEDIATELY FEASIBLE	Create Housing-Specific Staff Position(s) within City Government or a Partner Organization	A dedicated housing department or staff is important to advance a community's housing goals. Significant staff time can be required to implement and operate new programs, and it can be difficult for shared staff with multiple responsibilities to consistently prioritize housing over competing duties.	Funding for staff salaries and benefits would need to be identified and programmed within the City budget. A standalone housing department could be considered, or dedicated housing staff could be housed within the Transportation, Engineering and Development (TED) department. Naperville could also consider collaborating with nearby municipalities and/or DuPage County to create a shared organization to address housing needs.	<ul style="list-style-type: none"> Determine number of housing staff and departmental structure (i.e., within TED or new Housing Department) Identify funding source within City budget for full-time housing staff Engage nearby municipalities and/or DuPage County to gauge interest of establishing a shared organization to address housing needs
IMMEDIATELY FEASIBLE	Establish Additional Resources to Assist Populations with Special Housing Needs	The City could become a one-stop resource for connecting populations with special needs to housing and program providers. This information could be aggregated by special needs group: low-income households, people with disabilities, seniors, veterans, the homeless, and foreign-born residents with language barriers, etc.	The City would need to allocate staff resources to the aggregation and continual update of housing-related information.	<ul style="list-style-type: none"> Reach out to housing and program providers to identify resources available to each group Aggregate information into an easy to understand format and distribute Maintain relationships with housing and program providers and regularly update materials.
IMMEDIATELY FEASIBLE	Develop a Strategy to Leverage Publicly-Owned Land to Address Housing Challenges	City-owned land can be provided to developers at a discount to incentivize the private sector to address unmet housing needs (affordable, senior, or supportive housing development, etc.). This also activates underutilized City properties.	The City would need to make a policy decision regarding using the land to meet unmet housing needs, rather than capitalizing on its full market value.	<ul style="list-style-type: none"> Determine how much City-owned land is zoned and available for residential development, or where rezoning may be appropriate Identify target populations, project types, length of affordability restrictions, etc. Conduct outreach to potential housing developers Undertake Request for Developer Proposal process.

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Toolkit: Strategic Planning

	NAME	OVERVIEW	FEASIBILITY / KEY CONSIDERATIONS	KEY DECISION POINTS / NEXT STEPS
INTERMEDIATE	Identify Surplus Land Held by Major Landowners	Surplus land held by major landowners can be redeveloped to meet unmet housing needs. This could include mission-driven landowners (e.g., hospitals, churches, etc.) who could redevelop land for affordable, senior, and supportive housing, or major employers who could redevelop surplus land for workforce housing. The surplus land could be offered at a discount to encourage desired housing development supportive of landowners' overall goals.	Landowners would need to evaluate space needs to ensure that their future growth is not precluded. Land would need to be appropriate for residential uses, and the City may need to support rezoning and/or invest in required infrastructure. Discounted land alone may not make desired housing development financially feasible.	<ul style="list-style-type: none"> Identify major landowners with potential surplus land Determine priorities for housing development Conduct outreach to the landowners Evaluate feasibility of housing development on the land Identify additional funding mechanisms available to support housing development
INTERMEDIATE	Develop Strategic Plan to Preserve NOAH	The demolition of naturally occurring affordable/attainable housing is furthering housing affordability issues in Naperville. The City could develop strategies to preserve this lower cost housing stock by implementing preservation overlay districts or discouraging demolition activity.	Maintaining NOAH requires public intervention or the private market will continue to result in upward filtering as land values increase. Initial analysis suggested the types of housing and general location of NOAH. Additional research would be needed to clarify boundaries of possible areas to target NOAH preservation. Operators of rental NOAH would need to be identified and partnered with.	<ul style="list-style-type: none"> Determine desired areas to preserve NOAH Evaluate options for preserving NOAH (overlay districts, higher demolition fees, strategic acquisition, working with owners of rental NOAH)

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Toolkit: Strategic Planning

	NAME	OVERVIEW	FEASIBILITY / KEY CONSIDERATIONS	KEY DECISION POINTS / NEXT STEPS
IMMEDIATELY FEASIBLE	Develop Working Relationships with Affordable Housing Developers	The City can play an important role in connecting affordable housing developers, funders, and service providers. It is important to build relationships with organizations dedicated to affordable housing creation and preservation to leverage the City's investment into its affordable housing programs and capitalize on the expertise and financial resources of outside organizations.	The City would need to allocate staff resources to building these relationships, aggregating and sharing housing-related information, and acting as a point of coordination amongst the various organizations.	<ul style="list-style-type: none"> Identify and meet with affordable housing organizations active in the area Produce a document to inform organizations of Naperville's housing needs and available resources.
INTERMEDIATE	Assist in Assembling Sites for Housing	The City can undertake site assembly and key predevelopment efforts that are often cost prohibitive for infill development (e.g., building demolition, land remediation) to alleviate costs to housing developers.	Site assembly is often time consuming and site costs may increase when City redevelopment strategy has been publicized	<ul style="list-style-type: none"> Identify key sites to support City housing production goals and conduct outreach to potential housing developers Identify a funding source for land acquisition Establish criteria for future development Prepare RFP/RFQ process for the land

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APPENDIX A

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Estimated Owner-Occupied Housing Costs

A.1 Methodology

For multiple segments of this analysis, SB Friedman estimated gross owner-occupied housing costs using the following process:

1. Housing Unit Cost. The starting point for the analysis is the price of a housing unit. This was sourced either from the City of Naperville or based on data compiled by SB Friedman from the Multiple Listing Service.
 1. For the NOAH analysis only, home sales by year were inflated using the S&P/Case-Shiller IL-Chicago Home Price Index to 2019 values.
 2. For the single-family permit analysis, the permit amount was estimated to be approximately 60% of the cost of the home based on data from the National Association of Homebuilders. The remaining 40% consists of other development costs typically excluded from permit values, including land and builder's profit, among others.
2. Estimate of Monthly Principal and Interest Payments. SB Friedman estimated that each home would be purchased using a 30-year mortgage, assuming the average 30-year fixed rate mortgage rate at the time of the analysis, 3.68%. It was estimated that the mortgage would be for 87% of the purchase price, based on an average down payment value of 13% from the National Association of Realtors.
3. Property Taxes. Property taxes were estimated by applying the assessment rate (33.3%) to the market value of the home, subtraction of the homeowner Residential Exemption (\$6,000) and a prorated share of the Senior Citizens Homestead Exemption which is assumed to impact 10% of households (\$5,000 total exemption, \$500 removed in the SB Friedman analysis) and application of the tax code rate for the principal City (Naperville, 6.646%). The result was an estimate of annual taxes.
4. Homeowners' Association Dues. For the NOAH analysis, if the MLS data included information on homeowners' association due or similar assessments, that value was included. Otherwise, this value was assumed to be zero. No assessment information was added in the single-family permit analysis.
5. Energy Costs. Standard energy costs were estimated using information from the U.S. Energy Information Administration for single-family detached and attached homes in the Midwest (2015, inflation adjusted to 2019). Separate costs were applied by unit type (detached or attached). If square footage was available for the unit a per square foot value was applied, otherwise a standard value was applied.
6. Summation. Monthly values calculated from the results of steps 2 through 5 were summed to generate an estimate of monthly gross housing costs for owner-occupied units.
7. To estimate annual income required to pay resulting monthly housing costs affordably, monthly housing costs were multiplied by 12 and divided by 30% (i.e., what housing cost can be covered with 30% of income).

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Limitations of Our Engagement

Our deliverables are based on estimates, assumptions and other information developed from research of the market, knowledge of the industry, and meetings/teleconferences with the City, key informants and developers during which we obtained certain information. The sources of information and bases of the estimates and assumptions are stated in the deliverable. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will necessarily vary from those described in our report, and the variations may be material.

The terms of this engagement are such that we have no obligation to revise analyses or the deliverables to reflect events or conditions that occur subsequent to the date of the deliverable. These events or conditions include, without limitation, economic growth trends, governmental actions, changes in state statute or city ordinance, additional competitive developments, interest rates, and other market factors. However, we will be available to discuss the necessity for revision in view of changes in the economic or market factors affecting the proposed project.

Our deliverables are intended solely for your information, for purposes of understanding current and possible future housing conditions and considering new municipal policies to address unmet housing needs. The report should not be relied upon by any other person, firm or corporation, or for any other purposes. Neither the report nor its contents, nor any reference to our Firm, may be included or quoted in any offering circular or registration statement, appraisal, sales brochure, prospectus, loan, or other agreement or document without our prior written consent.

We acknowledge that upon submission to the City of Naperville, the report may become a public document within the meaning of the Freedom of Information Act. Nothing in these limitations is intended to block the disclosure of the documents under such Act.




221 N. LaSalle St, Suite 820, Chicago, IL 60601
312-424-4250 | sbfriedman.com

Grantee SF-424's and Certification(s)

OMB Number: 4840-0034
Expiration Date: 12/31/2022

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Pre-application <input type="checkbox"/> Application <input checked="" type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input type="checkbox"/> New <input type="checkbox"/> Continuation <input checked="" type="checkbox"/> Renewal	* If New, select appropriate letter(s): A: Proposed Award * Other (Specify):
* 3. Date Received: 3/15/2022	* 4. Applicant Identifier:	
* 5. Federal Entity Identifier:	* 6. Federal Award Identifier:	
State Use Only:		
* 6. Date Received by State:	* 7. State Application Identifier:	
* 8. APPLICANT INFORMATION:		
* a. Legal Name: City of Naperville		
* b. Employer/Taxpayer/Ident. Design Number (FINTIN): 38-8328013	* c. Organizational DUNS: 0760078100000	
* d. Address:		
* Street1: 300 S. Eagle Street		
* Street2:		
* City: Naperville		
* County/Parish:		
* State: IL; ILLINOIS		
* Province:		
* Country: USA; UNITED STATES		
* Zip/Postal Code: 60540-5275		
* e. Organizational Unit:		
Department Name:	Division Name:	
* f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: Ms.	* First Name: Rita	
Middle Name:		
* Last Name: Powell		
Suffix:		
Title:		
Organizational Affiliation:		
* Telephone Number: 630-305-1325	Fax Number:	
* Email: Rita.Powell@naperville.il.us		

Application for Federal Assistance SF-424	
<p>* 9. Type of Applicant 1: Select Applicant Type:</p> <input type="text" value="City or Township Government"/> <p>Type of Applicant 2: Select Applicant Type:</p> <input type="text"/> <p>Type of Applicant 3: Select Applicant Type:</p> <input type="text"/> <p>Other (specify):</p> <input type="text"/>	
<p>* 10. Name of Federal Agency:</p> <input type="text" value="U.S. Department of Housing and Urban Development"/>	
<p>11. Catalog of Federal Domestic Assistance Number:</p> <input type="text"/> <p>CFDA title:</p> <input type="text"/>	
<p>* 12. Funding Opportunity Number:</p> <input type="text" value="24.218"/> <p>* Title:</p> <input type="text" value="Baltimore, Md."/>	
<p>13. Competition Identification Number:</p> <input type="text"/> <p>Title:</p> <input type="text"/>	
<p>14. Areas Affected by Project (Cities, Counties, States, etc.):</p> <input type="text"/> <p style="text-align: right;"> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </p>	
<p>* 15. Descriptive Title of Applicant's Project:</p> <input type="text" value="Community Development Block Grant Housing Rehabilitation, Public Services, Public Facilities, Planning and Administration"/>	
<p>Attach supporting documents as specified in agency instructions</p> <p style="text-align: right;"> <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/> </p>	

Application for Federal Assistance SF-424	
16. Congressional Districts Or:	
* a. Applicant: <input type="text" value="11/11"/>	* b. Program/Project: <input type="text" value="11/11"/>
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
17. Proposed Project:	
* a. Start Date: <input type="text" value="04/01/2020"/>	* b. End Date: <input type="text" value="01/31/2021"/>
18. Estimated Funding (\$):	
* a. Federal	<input type="text" value="200,000.00"/>
* b. Applicant	<input type="text"/>
* c. State	<input type="text"/>
* d. Local	<input type="text"/>
* e. Other	<input type="text"/>
* f. Program Income	<input type="text"/>
* g. TOTAL	<input type="text" value="500,000.00"/>
* 19. Is Application Subject to Review By State Under Executive Order 12972 Process?	
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12972 Process for review on <input type="text"/>	
<input checked="" type="checkbox"/> b. Program is subject to E.O. 12972 but has not been selected by the State for review.	
<input type="checkbox"/> c. Program is not covered by E.O. 12972	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes", provide explanation and attach	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
21. "By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurance** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 28, Section 1001)"	
<input checked="" type="checkbox"/> ** I AGREE	
** The list of certifications and assurance, or an internet site where you may obtain the list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Prefix: <input type="text" value="Mr."/>	* First Name: <input type="text" value="Douglas"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="Krieger"/>	
Suffix: <input type="text"/>	
* Title: <input type="text" value="City Manager"/>	
* Telephone Number: <input type="text" value="(630) 420-6044"/>	Fax Number: <input type="text"/>
* E-mail: <input type="text" value="KriegerD@naperville.il.us"/>	
* Signature of Authorized Representative: 	* Date Signed: <input type="text" value="11/28/20"/>

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan, regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, 'Disclosure Form to Report Lobbying,' in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701a) and implementing regulations at 24 CFR Part 135.

Dawn K. Zoy
Signature of Authorized Official

12/28/20
Date

City Manager
Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Specific Community Development Block Grant Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Following a Plan -- It is following a current consolidated plan that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) 2020, 2021, 2022 [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it uses CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CTR Part 35, Subparts A, B, J, K and R.

Compliance with Laws -- It will comply with applicable laws.

Way A. Zip
Signature of Authorized Official

12/28/20
Date

City Manager
Title

OPTIONAL Community Development Block Grant Certification

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having particular urgency as specified in 24 CFR 570.208(e):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

David A. King
Signature of Authorized Official

12/28/20
Date

City Manager
Title

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If it plans to provide tenant-based rental assistance, the tenant-based rental assistance is an essential element of its consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §§92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Subsidy layering -- Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

Dennis A. King
Signature of Authorized Official

12/28/20
Date

City Manager
Title

ASSURANCES - CONSTRUCTION PROGRAMS

DMH Number: 4040-0036
Expiration Date: 02/28/2022

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

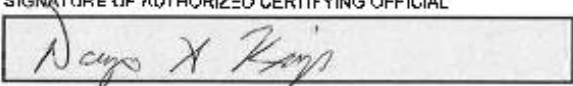
1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permits or instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision of the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the awarding agency's policies and procedures regarding the use of Federal assistance funds.
9. Will comply with the awarding agency's policies and procedures regarding the use of Federal assistance funds.
10. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 500, Subpart F).
11. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4531 et. seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
12. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicap; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (P.L. 91-616), as amended relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§260 dd-2 and 260 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

Previous Edition Listed:

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Standard Form 424D (Rev. 7-97)
Prescribed by GSA Circular A-102

1. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
2. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
3. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§275a to 275a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
4. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurance (constructor and acquisition) is \$10,000 or more.
5. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 175(c) of the Clean Air Act of 1966, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties) and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§169a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1998 and OMB Circular No. A-133, 'Audits of States, Local Governments and Non-Profit Organizations.'
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 108(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	City Manager
APPLICANT ORGANIZATION	DATE SUBMITTED
City of Naperville	12/28/20

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Appendix - Alternate/Local Data Sources