

Village of Libertyville Affordable Housing Plan

Adopted June 2025



Libertyville
spirit of independence

Village of Libertyville, Illinois 2025 Affordable Housing Plan

Adopted by the Village Board on June 10, 2025

This plan is submitted to the Illinois Housing Development Authority (IHDA), to comply with the State of Illinois's mandatory Affordable Housing Plan and Appeal Act (AHPAA).

Introduction to the Plan

In 2003, the Illinois General Assembly passed the Affordable Housing Planning and Appeal Act (AHPAA) (310 ILCS 67) to address the shortage of affordable, accessible, safe, and sanitary housing in communities across Illinois. Since its initial passage, the AHPAA has been amended on several occasions, most recently in 2023 through Public Act 103-0487. The AHPAA mandates that municipalities submit affordable housing plans to the State of Illinois.

The AHPAA requires that municipalities with less than 10 percent of their entire housing stock as affordable housing, prepare, approve, and submit affordable housing plans to the Illinois Housing Development Authority (IHDA). In December of 2023, IHDA updated the list of municipalities that do not meet the 10% threshold. The Village of Libertyville was calculated at 9.3% and therefore does not meet the 10% threshold. As a result, the Village is characterized as “non-exempt.” Based on the *2023 Report on Statewide Local Government Affordability*, Libertyville would need to add, at least, 55 additional affordable units to meet the 10 percent threshold and become exempt from the AHPAA.

The Village of Libertyville's Intent

It is the intent of the Village of Libertyville to remain in compliance with the AHPAA, including the 2023 amendments to the state law, by submitting an Affordable Housing Plan to IHDA in 2025.

For the purposes of this document, “Affordable Housing” shall mean “Decent, safe, sanitary, and appropriate housing that moderate-income households can own or rent without having to devote more than approximately 30 percent of their gross income to monthly housing expenses. Affordable Housing may also be referred to as "Affordable Housing". The terms "affordable" and "affordable housing”, as used in this Plan shall have the same meaning as the terms "Affordable" and "Affordable Housing" as such terms are used in the Affordable Housing Planning and Appeal Act.

It is important to understand that the Village lacks influence over a wide variety of private real estate market forces, employment, income, and economics that impact overall housing affordability in the Chicago region, and locally in Libertyville. These factors are further exacerbated by Libertyville's position as a largely built-out suburban municipality.

Generally, Libertyville's housing affordability is impacted by private market forces more so than overly restrictive zoning policies. Additionally, the Village does not possess “greenfield” acreage to plot new neighborhoods and add to the community through new construction growth. Rather, all such real estate investment must be achieved through incremental, site-by-site

redevelopment projects. These conditions both limit the pace of impact, as well as the number of opportunities for such impact.

These market forces are driven by several factors, including the community's proximity and connectivity to employment centers, historic downtown, and regional transportation accessibility. This factor includes adjacency to the major employment centers like Abbott / Abbvie, Advocate Condell Medical Center, and various other employment hubs in and around the Village. The Village also features high volume roadways and connectivity through central Lake County. Finally, the Village is served by multiple Metra stations, making it an attractive place for commuters. Real estate economics are driven by many factors, especially those affecting convenience and location. Many of these factors are outside of the direct control of the Mayor and Village Board of Trustees.

Therefore, it is the objective of this Plan to create favorable real estate investment condition for the stated affordable housing objectives in Libertyville and the Village wishes to do so in a manner that will not impact the health, safety, character, or environment of the community in a negative manner. These achievements will represent the full implementation of the goals of this Plan.

Homes for a Changing Region

The Village of Libertyville coordinated with the Metropolitan Mayors Caucus (MMC) beginning in 2007 to study housing market and demographic trends in the community, as part of the "Homes for a Changing Region" program. That work has continued with regular participation in regular check-ins including at the 10 year mark.

That report demonstrates the Village of Libertyville's analysis of existing conditions in the community's housing market, as well as the municipality's evaluation of potential strategies and solutions.

Components of an Affordable Housing Plan

The AHPAA outlines the mandatory components of an affordable housing plan that must be submitted to IHDA. Local governments must develop, adopt locally, and then submit to IHDA an affordable housing plan which meets the requirements of Section 25 of the AHPAA. The AHPAA was amended in 2023 by Public Act 103-0487 and includes revised and additional submittal requirements for the plan. Local governments which have been designated as Non-Exempt (less than 10%) must include the below contents, at a minimum, in their plans.

As set forth in the AHPAA, a Non-Exempt Local Government must prepare a Plan which includes the following seven (7) components:

1. A statement of the total number of affordable housing units that are necessary to exempt the local government from the operation of the AHPAA as defined in Section 15 and Section 20.
2. An identification of lands within the jurisdiction that are most appropriate for the construction of affordable housing and of existing structures most appropriate for

conversion to, or rehabilitation for, affordable housing, including a consideration of affordable housing for both owner-occupied dwelling units and dwelling units for rent, lands and structures of developers who have expressed a commitment to provide affordable housing, and lands and structures that are publicly or semi-publicly owned.

3. Incentives that local governments may provide for the purpose of attracting affordable housing to their jurisdictions.
4. A description of any housing market conditions, infrastructure limitations, local government ordinances, including zoning and land use ordinances, local government policies or practices that do not affirmatively further fair housing as defined in the federal Fair Housing Act, and other factors that may constrain the local government's ability to create and preserve affordable housing.
5. A plan or potential strategies to eliminate or mitigate the constraints identified in item 4.
6. One or more of the following goals:
 - a. A minimum of 15% of all new development or redevelopment within the local government that would be defined as affordable housing in the AHPAA.
 - b. A minimum of a 5% increase in the overall percentage of affordable housing within the jurisdiction, as described in sub-section (b) of Section 20 of the AHPAA.
 - c. Or a minimum of a total of 10% affordable housing within the jurisdiction as described in subsection (b) of Section 20 of the AHPAA.
7. Proposed timelines to commence, within the first 24 months after the date upon which the affordable housing plan was adopted, for actions to implement the components of the affordable housing plan.

Further, once the Village of Libertyville adopts and files a plan with IHDA, the AHPAA requires that no later than four years after adopting or updating an affordable housing plan the Village must submit a report to IHDA summarizing actions taken to implement the current plan.

Libertyville’s Response to the Plan Component Requirements

The following sub-sections respond to each of the seven (7) minimum requirements of a plan.

1. Total Number of Affordable Housing Units Required by State Law

In Libertyville, the total number of affordable housing units required for exemption is 10% of the total housing stock, or 746 affordable units (based on 7,458 total housing units), according to IHDA’s 2023 Report. To comply with the 10% requirement for exemption the Village would need at least, an additional 55 affordable units.

2. Most Appropriate Areas and Land Use for Housing Development

The Village of Libertyville is generally regarded as a “land-locked” and built-out, suburban municipality. There are very few vacant parcels located in the community and there are limited opportunities for redevelopment. However, this plan identifies some of the most feasible sites that could accommodate housing development. Such sites are not limited to, but include:

- Commercial Districts: upper stories in C-1, C-2, C-3 districts (subject to additional zoning requirements)
- Residential Districts: R-1, R-2, R-3, R-4, R-5, R-6, R-7, and R-8 districts, generally
- Transit-Oriented Development (TOD) adjacent to Metra station in C-1 District
- Mixed-use Projects (permitted in C-1, requires special use in C-2 and C-3 districts)

The Village’s Zoning Map and a map that depicts the geographies described in Section 2 above are attached to this plan. The purpose of these maps is for illustrative purposes only.

A Consideration of Housing for both Owner-occupied Dwelling-units and Dwelling-units for Rent

The AHPAA requires consideration for owner-occupied and rental properties. Currently, the Village of Libertyville features a variety of both owner-occupied and rental properties, across the range of single-family homes, attached dwellings, and multi-family properties in the community. In general, the zoning districts and corridors identified in the list above are eligible for either owner-occupied or rental housing units. In fact, many of these areas currently feature both types of housing, presently. In the R-7 and R-8 residential zones, development of multi-family properties is already permitted by-right up to four (4) units. This regulation aims to create opportunity for more “missing middle” housing products. Additionally, the Village has no rules preventing private owners in any residential district from placing an affordable housing covenant on a property requiring that a property be sold at an affordable rate. This is a practice of some affordable housing organizations in the area.

Publicly-owned Lands and Structures

The AHPAA requires recognition of lands and structures that are publicly or semi-publicly owned. Other than buildings which operate core municipal services (i.e. Fire Stations, Public Works, Village Hall), the Village of Libertyville primarily owns public parking lots in the downtown and park land. These parcels are typically not suited for redevelopment due to size, access and public need for their current function. As changes in the real estate market may develop, the Village will

evaluate the feasibility of development of parcels that may become available.

Other publicly owned property in the Village of Libertyville is owned by other agencies, such as the township, Lake County, and various school districts. The municipality is adjacent to public property that is owned and managed by the Lake County Forest Preserve.

3. Local Government Housing Incentives

The Village of Libertyville proposes six (6) potential strategies and actions that could encourage the preservation and development of affordable housing. Those strategies are detailed in subsection 5. *Potential Strategies & Actions*. Potential incentives may include fee waivers, a fee-in-lieu of providing affordable housing units, zoning bonuses, Planned Unit Development (PUD) bonuses, zoning reform, and the potential other programs in support of the Village's affordable housing goals. Many of these policies and initiatives would be considered on a case-by-case basis as redevelopment opportunities arise. The Village has already established a practice of requiring affordable housing units or a fee-in-lieu of be provided for any residential developments seeking zoning relief or planned development approval.

4. Potential Constraints

The Village faces a number of complications and limitations that constrain the naturally occurring, market-driven preservation and development of affordable housing. According to IHDA's 2023 Report, Libertyville currently has 691 existing affordable housing units, in a variety of housing types, including senior, multi-family, single-family homes, duplexes, and townhomes. Libertyville has a unique and historic downtown that features a mix of housing types and densities. Other areas of the Village include established single-family neighborhoods and planned developments for various housing types including duplexes, townhouses and senior housing.

The Village's zoning code allows for a variety of housing types in numerous districts, including both residential exclusive (i.e. R-1 through R-8) and commercial and mixed-use districts (i.e. C-1, C-2). The Village's R-7 and R-8 districts include the ability for property owners to build up to four (4) dwelling units on a property by right if the property has appropriate lot size, frontage and access. Ultimately the constraints found in the community are driven by land economics and the real estate market. Libertyville is an advantageously-located community within the Chicago region, with highly-rated schools, and those conditions drive demand. High-demand increases the cost of housing.

As noted in the plan's introduction, such factors are further exacerbated by the Village's position as a largely built-out community. Generally, Libertyville's housing affordability is impacted by private market forces more so than overly restrictive zoning policies.

Additionally, the Village does not possess "greenfield" acreage to plot new neighborhoods and add to the community through new construction growth; rather, all such real estate investment must be achieved through incremental, site-by-site redevelopment projects. Libertyville generally features low vacancy and high-demand in its existing structures and has represented a stable community for decades, including a high percentage of long-term, engaged property

owners. Those conditions both limit the pace of impact, as well as the number of opportunities for such impact if achieving these housing goals require new development projects.

A list of potential constraints in Libertyville include:

- A strong market-driven housing market.
- A trend of smaller, affordable homes being demolished for infill new construction that often builds to the maximum extent possible permitted under Floor Area Ratio (F.A.R.) in Code.
- Lack of opportunity for “greenfield” new construction homebuilding.
- Lack of vacancy and/or obsolescence in existing structures that could present opportunities for housing redevelopment.
- High costs associated with redevelopment and the adaptive reuse of existing structures.
- Lack of developer interest and experience in building affordable housing or navigating tax credit process;

5. Potential Strategies & Actions

The AHPAA requires the Village to adopt a plan that includes potential strategies that could eliminate or mitigate the local constraints to the preservation and/or development of affordable housing. In accordance with the purpose of the AHPAA, this Plan adopts the goal of increasing the local affordable housing stock to a minimum of 10% of the total housing units within the Village of Libertyville, attempting to preserve more than 691 existing affordable units in the community, or develop, at least, 55 additional units.

The Village is committing as part of this plan to further evaluate and carefully consider adopting and implementing the following actions to encourage the development, and preservation, of affordable housing real estate via the actions listed below. However, the Village may evaluate waiver of such requirements if the property redevelopment in question included senior housing or a historic preservation component.

- i. In the past, the Village has considered policies in which developers proposing affordable housing units could request fee waivers to remove or reduce costs associated with building permit fees, application fees, plan review fees, water and sewer tap fees, demolition permit fees, impact fees or other similar fees associated with the planning, design and construction of such affordable units. As part of this plan, the Village is committing to evaluating formalizing this process for use by future developers proposing affordable units. The Village will also evaluate other procedures intended to increase the local affordable housing stock to a minimum of 10% of the total housing units within the Village of Libertyville as they arise.
- ii. The Village has an existing practice of requesting payment of a fee-in-lieu of the provision of affordable units for multi-family developments, especially those requesting a planned development approval or other relief from the typical zoning regulations. The

Village is committing to continuing this process and evaluating formalizing such a practice within the Municipal Code.

- iii. The Village will examine and evaluate the potential to create a developer-driven, voluntary inclusionary housing program. The intent of such a program is to offer zoning incentives for private developers to create affordable housing as part of market-rate real estate projects, which could include unit density bonuses aimed to offset the cost of providing affordable units.
- iv. The Village will review its existing code requirements, Planned Unit Development (PUD) ordinance requirements, and other related zoning code provisions, to enhance the viability of affordable housing projects to the private real estate marketplace. The intent would be to identify opportunities for modifications to these rules which may allow land and capital to be more easily attributed towards the provision of affordable housing on redevelopment projects
- v. The Village will also commit to identifying ways in which existing and future dollars generated by the fee-in-lieu option can be utilized to generate additional affordable units.

Developer Commitment to Affordable Housing

The AHPAA requires the plan to acknowledge any “lands and structures of developers who have expressed a commitment to provide affordable housing.”

Community Partners for Affordable Housing (“CPAH”) is currently constructing an affordable apartment development which features 34 units for seniors. The Village also contributed funds towards this development.

While the Village of Libertyville is unaware of any potential developers or property owners who are interested in specific affordable housing projects, at this time, the Village’s normal development review process for developments requesting planned development approval or other similar zoning relief includes a standard request for several for payments in lieu of provision of affordable units.

Through this established policy, the Village has obtained affordable units or fees-in-lieu of the units for various projects. Projects which have made such commitments include:

- School Street Condominiums
- The Manchester Apartments / Eleven 5 Lake Apartments
- Parkside Townhomes
- Liberty Junction Townhomes

6. Plan Goal

The AHPAA requires municipalities to select one of three goals specified in the AHPAA's requirements:

- a. A minimum of 15% of all new development or redevelopment within the local government that would be defined as affordable housing in the AHPAA.
- b. A minimum of a 5% increase in the overall percentage of affordable housing within the jurisdiction, as described in sub-section (b) of Section 20 of the AHPAA.
- c. Or, a minimum of a total of 10% affordable housing within the jurisdiction as described in subsection (b) of Section 20 of the AHPAA.

The Village of Libertyville has selected (c), a goal that a total of 10% of housing units within the local government that would be defined as affordable housing in the AHPAA.

7. Proposed Implementation Timeline

The AHPAA requires proposed timelines for the potential actions to implement the affordable housing plan. Those timelines must occur within 24 months of plan adoption. The "Requirements for Previously Designated Non-Exempt Local Governments," in the AHPAA, states that, "Proposed timelines to commence, within the first 24 months after the date upon which the affordable housing plan was adopted, for actions to implement the components of the affordable housing plan." The Village proposes to consider some of the potential implementation actions within 24 months of the adoption of this Plan and subsequent implementation actions would be considered, as appropriate, sometime after the initial 24-month period.

Summary of Timeline

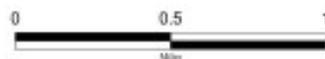
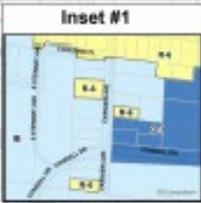
- June 2025: Draft plan, conduct public hearing, and adopt Affordable Housing Plan
- June 2025: File Plan with IHDA to comply with State of Illinois law
- 2025-2027: Consider some of the potential strategies and actions to implement Plan
- 2027-2029: Continue implementation of Plan
- December 2028: Anticipated IHDA will issue updated *Report of Non-Exempt Local Governments*

Plan Administration

For questions or contact regarding this plan, please contact the Community Development department at the Village of Libertyville, located at 325 N. Milwaukee Avenue, Unit 203, at 847- 918-2028, or via email at vol@libertyville.com .

Village of Libertyville Official Zoning Map

- ZONING DISTRICTS:**
- R-1 through R-5 Single Family Residential
 - R-7 Single Family Attached Residential
 - R-8 Multiple Family Residential
 - L-1 Unusually Large Lots/Lot
 - C-2 Downtown Community Commercial
 - C-3 General Commercial
 - C-4 Shopping Center Commercial
 - C-5 Vehicle Dealer Commercial
 - O-1 Professional Services Office
 - O-2 Office, Manufacturing, and Distribution Park
 - I-1 Limited Industrial
 - I-2 East Downtown Transitional District
 - I-3 General Industrial
 - OS Open Space
 - IB Institutional Buildings



2025

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