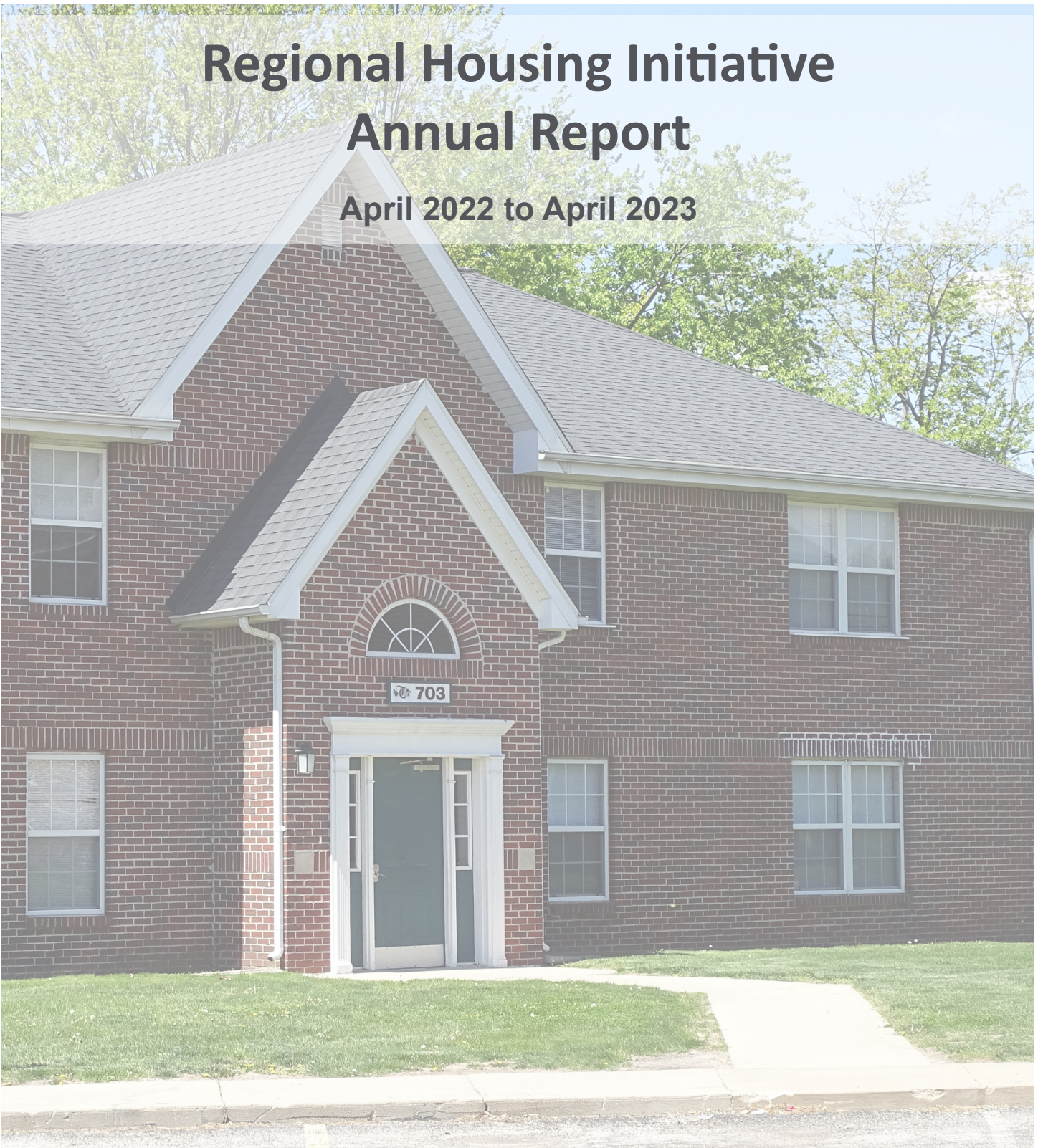


# Regional Housing Initiative Annual Report

April 2022 to April 2023



**REGIONAL HOUSING  
INITIATIVE**

May 2023

# REGIONAL HOUSING INITIATIVE

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Established in April 2018, the McLean County Regional Housing Initiative is an inter-jurisdictional effort to proactively address housing issues in the region. The purpose of this annual report is to summarize the activities completed from April 2022 through April 2023.

## REGIONAL HOUSING STAFF COMMITTEE MEMBERS

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### Bloomington Housing Authority

Jeremy Hayes

### City of Bloomington

William Bessler

Jon Branham

Alissa Pemberton

Michael Sinnet\*

Kimberly Smith\*

Glen Wetterow\*

### McLean County Behavioral Health Coordinating Council

Vanessa Granger-Belcher\*

Nicole Kirstein

Kevin McCall

### McLean County Regional Planning Commission

Mark Adams

Tania Barreto

Tessa Ferraro\*

Raymond Lai

Anthony Yamzon

### PATH Crisis Center

Kathryn Lewis\*

Liam Wheeler\*

### Town of Normal

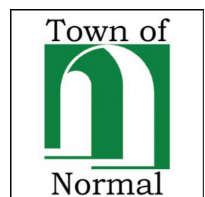
Mercy Davison

Tessa Ferraro

Caitlin Kelly\*

Jennifer Toney

\*Former staff member



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## BACKGROUND

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### Introduction

In 2017, the McLean County Regional Planning Commission (MCRPC) partnered with the City of Bloomington, Town of Normal and the Bloomington Housing Authority (BHA) to complete the region's first housing study, *BN Home*. One of the key recommendations in *BN Home* was to create an inter-jurisdictional group to proactively address housing issues in the region as identified in *BN Home* and other relevant community plans.

With MCRPC taking the lead, the Regional Housing Initiative (RHI) was established through an intergovernmental agreement in May 2018. The Initiative is made up of the Regional Housing Staff Committee and the Affordable and Supportive Housing Advisory Committee.

### Regional Housing Staff Committee

The Staff Committee utilizes its professional expertise to inform the priorities and policies of the Regional Housing Initiative and acts as the conduit between local housing efforts and state and federal housing agencies. Committee members represent the following organizations and meet monthly:

- Bloomington Housing Authority (BHA)
- City of Bloomington
- McLean County Behavioral Health Coordinating Council (BHCC)
- McLean County Regional Planning Commission (MCRPC)
- PATH Crisis Center
- Town of Normal

### The Affordable and Supportive Housing Advisory Committee

The Affordable and Supportive Housing Advisory Committee focuses on increasing the inventory of safe, high quality, affordable and supportive housing particularly for lower income households, seniors, and persons with disabilities. Committee members represent eleven organizations that have a direct stake in affordable and supportive housing in McLean County. In addition to the members of the Staff Committee, partner organizations on the Affordable and Supportive Housing Committee, which meets quarterly, include:

- Chestnut Health Systems
- MarcFirst McLean County
- Mid Central Community Action Agency (MCCA)
- Prairie State Legal Services
- Supportive Housing Providers Association - IL (SHPA)

## RESEARCH

Both the City of Bloomington and Town of Normal’s Comprehensive Plans identified gaps in the supply of affordable housing in McLean County. In addition, the updated Illinois Housing Blueprint 2022 stated that the greatest need for rental housing is for households earning less than \$20,000 annually and the second largest need is for households earning more than \$75,000. The Blueprint is the State’s “3-5 year planning initiative that aims to create a vision for the future of equitable affordable housing in Illinois and lay out a plan for achieving it.” According to the Illinois Housing Blueprint, the lack of housing at a higher income bracket forces upper-middle income households into lower priced units, which leaves lower income households with less rental options.

In terms of relevant deliverables, the Housing Staff Committee updated three White Papers between July and December 2022. The White Papers explore the nuances of affordable housing and the different options available for households to receive support in McLean County. These white papers rely heavily on demographic and housing cost data and the Area Median Incomes (AMI).

The first White Paper, “Income-Qualified Housing in McLean County Issue 1: Area Median Income (AMI),” (Updated July 2022) analyzes household income levels in McLean County as they relate to eligibility for certain housing programs. Values are then compared to the average salary of various occupations in McLean County. This paper also examines how the County’s AMI compares to the County’s Affordable Gross Rents and the County’s Median Gross Rent. This data shows that families who make 30% of AMI, or \$31,250 for a 4-person household, would have trouble paying the Median Gross Rent of \$842.

The second White Paper, “Income-Qualified Housing in McLean County, Issue 2: Types of Units and Vouchers,” (Updated December 2022) explains the different types of housing assistance, quantifies the available income-based housing units, and highlights the need for more affordable housing in McLean County. Some major findings from this paper shows that although 76% of households earn 80% or less AMI, income-qualified housing only makes up 13% of all occupied rental units. From all households who rent, 55% qualify for housing units or vouchers. This highlights a disparity between the supply and demand for affordable housing.



30% AMI  
Receptionist  
or Nursing  
Assistant



50% AMI  
Auto Mechanic  
or Graphic  
Designer



80% AMI  
Electrician or  
Audio & Video  
Technician

“Income-Qualified Housing in McLean County Issue 1: Area Median Income (AMI)” helps to contextualize the County’s AMI by comparing the AMI to certain occupations as illustrated above.

### Summary of Income Qualified Units & Vouchers

Total Unique PBRA units	318
Total LIHTC units	1,416
Total Unique USDA Section 515 Units	94
Section 8 Housing Choice Vouchers	640
Public Housing Units	607
<b>Total Income Qualified Units and Vouchers</b>	<b>3,075</b>

“Income-Qualified Housing in McLean County Issue 2: Types of Units and Vouchers” takes inventory of the County’s income-restricted affordable housing stock. In 2022, the County had a total of 3,075 income qualified units and vouchers.

## RESEARCH

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13%  
Income-qualified units or vouchers of all occupied rental units



76%  
Households who rent qualify for housing units or vouchers restricted to 80% AMI



55%  
Households who rent qualify for housing units or vouchers restricted to 50% AMI

While only 13% of the county's rental units are income-qualified, 55% of household renters qualify for units restricted to 50% AMI and 76% qualify for units restricted to 80% AMI showing the need for affordable housing development.

The third White Paper, "Preservation of LIHTC and Other Income-Qualified Housing in McLean County," Issue 2B (drafted April 2023), MCRPC staff interviewed LIHTC property owners/managers of five properties whose tax credits expire within the next four years. Results showed that three out of the five property owners plan to exit the LIHTC program and convert the units to market-rate housing (94 LIHTC units will be converted to market rate and 24 will remain affordable by 2027). LIHTC property managers/owners stated that the tax credit program (1) lacked adequate incentives to renew contracts, (2) possessed burdensome and costly administrative requirements to adhere to LIHTC regulations and (3) was less profitable than market-rate housing. This White Paper also included several strategies used nation-wide to preserve LIHTC units. Examples of strategies include: Promoting access to government capital, networking with national nonprofits with access to capital and initiating a County Property Tax Abatement Incentive Program.



Photo: Turnberry Square Apartments in Bloomington, IL.

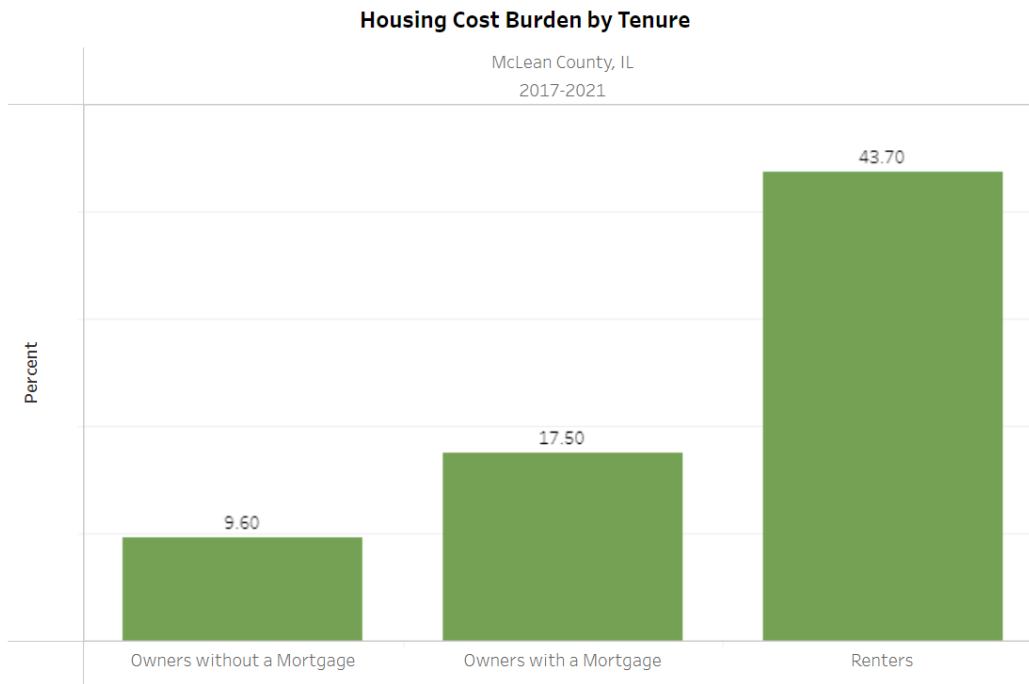
In 2022, MCRPC staff applied and received the Research in Illinois to Spur Economic Recovery (RISE) grant, which is funded by the Illinois Department of Commerce and Economic Opportunity (DCEO). The grant will fund the creation of a Housing Economic Recovery Plan in response to the Covid-19 pandemic with a focus on affordable and workforce housing and integrating an equitable approach to economic recovery. As of April 2023, MCRPC staff worked with DCEO to finalize the grant agreement.

MCRPC Staff also conducted research briefs on topics such as accessory dwelling units, zoning reform to inform local housing partners and elected officials. In 2021, the Staff Committee did an in-depth analysis on the newly passed House Bill 2621 which is intended to incentive the development of affordable housing. MCRPC staff continue to track the bill's implementation strategy and will continue this work into FY 2024.

## WEBSITE, DATA, AND HOUSING DASHBOARD

MCRPC staff continue to maintain the *BN Home* web page on the MCRPC website, which houses plans and studies related to neighborhoods and housing completed by MCRPC and partners, the McLean County Housing Data Dashboard, published white papers, and a special page dedicated to Community Development Block Grant (CDBG) information.

The McLean County Housing Data Dashboard continues to maintain the most up-to-date data on demographics, housing units and costs, affordability and persons experiencing homelessness in McLean County and was updated in September 2022 and again in February 2023.



Note: The McLean County Housing Data Dashboard has over 30 data points relating to the area's demographics and housing stock like the image above. The Department of Housing and Urban Development (HUD) defines cost-burdened families as those "who pay more than 30 percent of their income for housing" and "may have difficulty affording necessities such as food, clothing, transportation and medical care."

Source: <https://public.tableau.com/views/HousingDataDashboard/HousingDataStory?:showVizHome=no&:embed=true#>

## CONSOLIDATED PLANNING & PANDEMIC RESPONSE

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The most substantial undertaking by the Regional Housing Staff Committee to date was the joint development of the Bloomington and Normal 2020-2024 5-year Consolidated Plans for the Community Development Block Group (CDBG) program. The Plans were approved by the Bloomington City Council and Normal Town Council in Spring 2020. The separate, but related, Bloomington and Normal Analyses of Impediments to Fair Housing were also completed in Spring 2020. The intent of the analyses, required as part of the CDBG program, is to provide a thorough and objective review of the current housing market in the community, identify any barriers which prevent or hinder a fair housing market and identify steps the jurisdiction is currently taking to eliminate, reduce and prevent such impediments.

In response to the COVID-19 pandemic, the City and Town were allocated additional CDBG-CV funding to be used specifically for pandemic relief. From a survey of housing service providers conducted by the RHI, the Staff Committee found a high need for rent/mortgage and utility bill assistance. In response, the City and Town led successful programs through FY 2021-2023 to help residents that experienced hardships due to COVID-19.

Members of the RHI have also been active in United Way of McLean County's (UWMC) Housing Assistance Coalition which was created in response to the COVID-19 pandemic. This Coalition is made up of over 20 organizations that have been meeting virtually on a monthly basis to coordinate pandemic relief. Through this effort, members distributed \$6.43 million in pandemic relief from May 2020 to April 2023. The Coalition also organized media campaigns to advertise available assistance, tracked data across multiple agencies and explored funding opportunities to be used to create a Housing Stability Navigator position to connect residents to available housing resources. The UWMC's Housing Assistance Coalition includes a Cold Weather Subcommittee that focuses on emergency shelter resources for the unsheltered homeless. Also, MCRPC staff participated in the Housing Technologies Committee which identifies and leverages technological solutions to address the ongoing affordable housing crisis in McLean County. Although these three Committees are not part of the RHI, MCRPC staff has participated in these efforts.