

GEOGRAPHIC DISTRIBUTION POLICY
AFFORDABLE HOUSING FUNDED BY HOME OR CDBG
Used Only for New Construction or the Creation of New Units

Definitions

Community of Affordable Housing Concentration: is defined as a municipality or unincorporated area of township with a high proportion of affordable housing units. Such communities will be considered as having a high proportion of affordable housing units if the percentage of affordable units (defined as owner units valued less than \$195,000 and renter units renting for less than \$837 per month) is more than 50% of all units in the community.

Neighborhood of Low-income Concentration: is defined as a U.S. Census Tract, Block Group, or other locally defined subarea of a community with a high proportion of low-income persons. A local determination may be made to select the most appropriate geographical definition of neighborhood. However, neighborhoods must be contiguous and relatively homogeneous areas with common identifiable characteristics and specific boundaries. They cannot be whole municipalities. Such neighborhoods would be considered as having a low-income concentration if the number of low-income persons (less than 80% of median income) make up a majority (51% or more) of the population of the neighborhood. Data to make this determination may come from U. S. Census information or other data that would be acceptable to HUD.

Policy

It is the policy of the DuPage Community Development Commission and the DuPage HOME Advisory Group that greater locational choice be promoted in the development of affordable housing in the DuPage County area. This policy will be promoted in the implementation of the Community Development Block Grant Program and the HOME Investment Partnership Act program. The actions below will be used to promote greater locational choice for low and moderate-income persons by encouraging affordable housing outside of areas of affordable housing concentration and outside of neighborhoods of low-income concentration.

1. All project applications reviewed by the DuPage Community Development Commission for funding by the DuPage County CDBG program or reviewed by the DuPage HOME Advisory Group for funding by the DuPage Consortium HOME program that propose new construction of affordable housing or otherwise adding to the affordable housing stock will be evaluated for the suitability of the proposed site. Although a variety of issues will be examined, of particular note will be the impact of the proposed project on increasing concentrations of affordable units and low-income

persons. The extent of this evaluation will depend on the activity being proposed and general demographic information about the proposed location of the site.

Guidance for this analysis will come from regulations at 24 CFR 882.708 and HUD Notice H-81-2. This information describes procedures for implementing site and neighborhood standards.

Analysis of site suitability will include the following:

- a. A special notice will be sent to the jurisdiction in which the proposed site is located providing opportunity to comment on: (1) consistency with local zoning or other applicable development control ordinances; (2) significant environmental concerns; (3) consistency in scale or appearance with the surrounding area; or (4) the effect on creating or expanding a concentration of affordable housing for low-income persons. This notice is in addition to any notices required by the Environmental Review Record process.
 - b. If there is a reasonable potential for concern based on local jurisdiction comments (including supporting documentation) or information from the application, the Community Development Commission or HOME Advisory Group may require further assessment. The purpose of the analysis will be to show that concerns will be adequately addressed.
 - c. If, after further assessment, there is documented evidence that site concerns cannot be adequately addressed, the Community Development Commission or HOME Advisory Group may determine that the proposed project does not meet the minimum program requirements of the respective program. The burden of documenting this determination shall be on entities claiming that the site is not suitable.
2. Staff to the CDC and the HOME advisory Group, in providing technical assistance and advice to potential project sponsors, will encourage locations that are outside of areas of affordable housing concentration and outside of neighborhoods of low-income concentration.
 3. The point system used for project selection will encourage wider distribution of affordable housing by including the following features:
 - a. Projects located in communities of affordable housing concentration will receive no points for encouraging greater locational choice. Projects located outside of these areas will receive ten points.

- b. Projects proposed in neighborhoods of low-income concentration will receive no points for encouraging greater locational choice. Projects outside of these neighborhoods will receive ten points.
- c. Projects proposed in locations outside of, but adjacent to, neighborhoods of low-income concentration will receive no points if they will have the effect of expanding the low-income concentration.
- d. Projects proposed in areas that would ordinarily not receive points according to “a”, “b”, and “c” above will receive these points for encouraging locational choice if supported by the local jurisdiction and one of the following conditions is met.
 - (1) A market analysis shows that sufficient opportunities do not exist to carry out this project outside the area.
 - (2) An assessment shows that the proposed project will reduce, or have an insignificant effect on, the local concentration of low-income persons.
 - (3) The proposed project is part of a community program to meet overriding local housing needs and is part of a neighborhood stabilization activity.
- e. Where the analysis (as described in section #1 above) shows that the project will be located outside of communities of affordable housing concentration and neighborhoods of low-income concentration, and the costs associated with the project are high in relation to other projects due to this location, the evaluation of the project’s cost effectiveness in the point system will not be penalized.