

Topic: Establishment of Affordable Housing Trust Fund

Issue: In Lake County, the free market is unable to meet the demand for affordable housing without intervention due to land and property costs. Statistics demonstrate that housing costs exceed the reach of many residents, from young people starting out to seniors to those who have struggled with medical crisis or job layoff. Additionally, a lack of housing options – especially near job centers – translates into increased traffic congestion and environmental degradation, lower quality of life for commuters and residents, and a disincentive to employers seeking to move into or stay in Lake County. The lack of affordable housing undermines individuals and families, neighborhoods and communities, business and the environment.

Recommendation: **Sponsor** the creation of a Lake County Housing Trust Fund that will catalyze the increase and preservation of affordable housing opportunities in Lake County, with a focus on serving low and moderate income households and neighborhoods. By offering a flexible and creative financing source that is designed to leverage other dollars as well as local policy, the HTF will help overcome market barriers to affordable housing and make possible projects that otherwise may not occur. The types of projects that would potentially be funded include, but are not limited to:

- housing production, including new construction, redevelopment and rehabilitation
- acquisition of vacant or improved property for affordable housing production
- down-payment assistance to homebuyers
- rehab assistance to homeowners
- preservation of existing affordable housing
- foreclosure assistance and counseling
- any other activity that the County Board determines would address the County's strategic priorities, e.g., housing near business or transportation centers, employer-assisted housing for new business centers, etc.

The County requires state authorization to establish a recording fee on any real estate related document. If the state adopted such enabling legislation, the County Board would enact an ordinance to impose such a fee. The ordinance would direct that funds be collected and disbursed to the County Treasurer for deposit in the HTF. Up to 10% of the fund may be used annually by the County for its administrative costs related to the administration of the HTF program.