Village of Lake Bluff
Affordable Housing Plan
August 2026 Update

NORTH SHORE LIFE
LAKE BLUFF STYLE

LAKE BLUFF

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Authority 4
History 5
Plan 8
Conclusion 17
Appendix 18

I. Authority

In 2003, the Illinois General Assembly adopted Public Act 093-0595, the Affordable Housing Planning and Appeals Act, which became effective January 1, 2004. Amendments to Public Act 093-0595 were approved on June 28, 2004. Public Act 093-0595 and its amendments are codified at 310 ILCS 67/1 et seq. ("Act").

Per the Act, "Affordable housing" means housing that has a value or cost or rental amount that is within the means of a household that may occupy moderate-income or low-income housing. In the case of owner-occupied dwelling units, housing that is affordable means housing in which mortgage, amortization, taxes, insurance, and condominium or association fees, if any, constitute no more than 30% of the gross annual household income for a household of the size that may occupy the unit. In the case of dwelling units for rent, housing that is affordable means housing for which the rent and utilities constitute no more than 30% of the gross annual household income for a household of the size that may occupy the unit. In the case of dwelling units for rent, the costs of any required parking, maintenance, or landlord-imposed fees are to be included in the calculation of affordable housing if available from the U.S. Census Bureau.

According to the Act, its purpose is to encourage counties and municipalities to incorporate affordable housing within their housing stock sufficient to meet the needs of their county or community. In addition, the Act provides a forum for affordable housing developers who believe they have been unfairly treated, to seek relief from local ordinances and regulations (310 ILCS 67/10).

The Act contains three major provisions:

1. The Illinois Housing Development Authority ("IHDA") has been charged with determining those local governments that must prepare an affordable housing plan and those that are exempt;

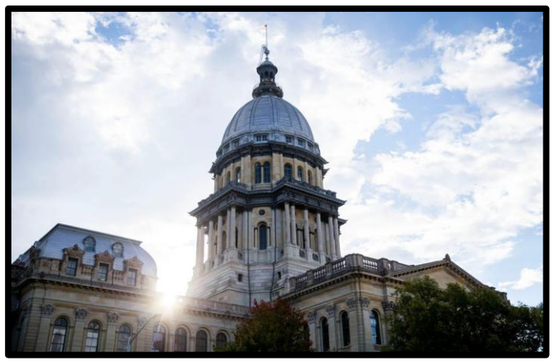
2. The Act requires all non-exempt local governments to prepare affordable housing plans and adopt those plans prior to April 1, 2005; and

3. The Act provides an appeal procedure for aggrieved developers of affordable housing.

On August 10, 2004, IHDA sent a letter to the Village of Lake Bluff informing the Village that it was a non-exempt community pursuant to Section 20(b) of the Act. Pursuant to Section 25 of the Act, the Village approved a plan in February of 2005.

In April of 2005, residents approved Home Rule for Lake Bluff.

In 2021 the Illinois General Assembly passed amendments to the Act including the preemption of home rule concerning some aspects of the administration of the Act.

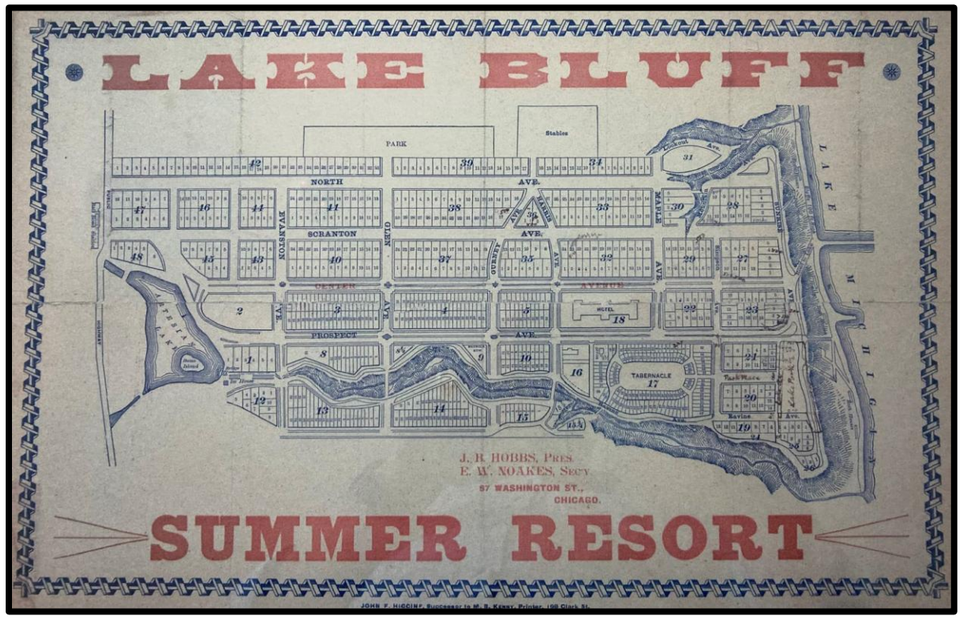


II. History

Pursuant to the Act, the Village of Lake Bluff was required to adopt an affordable housing plan prior to April 1, 2005 as it was identified as a non- exempt community (e.g. did not have adequate affordable housing within the community). The first revision of this plan was adopted in February 2005.

In identifying lands and structures that are most appropriate for affordable housing and incentives that may be available to attract affordable housing developments in the Village, the Village of Lake Bluff carefully considered the character and environment of the Village, as set forth in the Village of Lake Bluff Comprehensive Plan, Lake Bluff Village Code, and other ordinances and regulations of the Village.

The Village of Lake Bluff desired and still desires to establish a plan that will encourage and attract affordable housing developments in the Village of Lake Bluff that are consistent with the public health and safety capabilities of the Village and will protect and preserve the character and environment of the Village. Therefore, while the Village of Lake Bluff recognizes the importance of providing affordable housing throughout the State of Illinois, affordable housing must be provided in a way that does not compromise the public health or safety or destroy the environment and character that defines the Village of Lake Bluff.



II. History Cont'd

Since the Affordable Housing Plan was first passed in 2005, the Village has amended the Comprehensive Plan and pursued changes to its other land use policies on multiple occasions in a manner that would promote the development of additional affordable housing within its jurisdiction.

In 2007, out of a growing concern for residents to affordably be able to remain in the Village as they age, the Village issued an RFP to develop a senior housing facility for the Village-owned property located south of Route 176 and East of the Joint Action Water Agency (JAWA). This facility would prioritize Lake Bluff residents aged 65 or older and would be for 100 to 120 moderately priced, market-rate congregate care (80%) and assisted living senior housing (20%) units and supporting facilities, with structures preferably no more than two stories in height. The RFP received two competitive proposals, but neither was ultimately accepted.

In 2016, the Village adopted a new Planned Mixed-Use Development (PMD) tool and amended the land use map in the Comprehensive Plan to encourage the development of new housing on Block Three of the Central Business District (CBD). The amendment changed the designated future land use for Block Three to multi-family residential. It additionally established ten planning principles for the CBD, with the third principle stating that Block Three be treated as a residential transition between the CBD and surrounding neighborhoods.

In 2022, the Village adopted regulations to allow accessory dwelling units as special uses throughout all zoning districts in the Village. The regulations are permissive and allow the creation of attached and detached units that may further increase the affordability of the Village's housing stock.

In 2022, the Village amended its Planned Residential Development (PRD) code in order to create a modern planned development tool and a coordinated review process that is tailored to Lake Bluff and the outcomes it desires from new residential developments. The PRD tool recognizes the importance of creating additional types of housing, allows an increased density of housing that may enable additional affordable developments, and explicitly recognizes the creation of affordable housing as a public benefit for the community.

In 2023, the Village began the process of updating its Comprehensive Land Use Plan. As part of this process, a Missing Middle housing study was completed, recommending zoning changes to allow for more diverse housing options. The updated Comprehensive Land Use Plan was formally adopted in May of 2025.

Despite these numerous policy initiatives, the Village has not realized a substantial amount of new affordable housing since the Plan's original adoption in 2005. The challenge of complying with the Act was and remains significant without substantial subsidization because of the existing character and environment of the Village, as described in detail in the Village's Comprehensive Plan, Zoning Regulations, and Village Code.

Specifically, the environment of Lake Bluff is that of a well-forested, substantially landscaped, and virtually fully built-out community predominated by detached single-family residences. In addition, the few larger expanses of open space, parks, and recreational lands comprise a critical element of the Village whose preservation define and enhance the Village's character and environment.

II. History Cont'd

Beyond the single-family and open space elements of Lake Bluff's character and environment, there are limited areas of commercial development along Illinois Route 176, Illinois Route 43 and U.S. Route 41, as well as a modest downtown business district that is centrally located in the Village. The developed portions of the Village are relatively low-profile buildings when compared to the existing tree canopy found throughout much of the Village.

The Village's infrastructure has historically developed in a manner consistent with the character and environment of the Village in order to protect the health and safety of its residents. In particular, streets, water lines, sanitary sewers, and storm water management facilities have been designed and maintained to accommodate the relatively low-density development in the Village.

Similarly, the Village's public works and public safety services and equipment have been developed, acquired, and maintained to address the public health and safety needs that have arisen from the aforementioned character and environment of Lake Bluff. Establishing affordable housing in a manner inconsistent with such character will be detrimental to the Village's environment and put at risk the public health and safety.

It is within this context that the Village has prepared this plan in accordance with the Act. The overall objective of the Village and this Plan is to identify locations for, and to undertake steps to promote, affordable housing in a manner that preserves the character and environment of Lake Bluff and protects the public health and safety.

III. Plan

A. Targets and Goals

In 2005, the Village of Lake Bluff identified the targets for the development of affordable housing in the Village. In 2026, the updated targets are:

- 15% of all new development or redevelopment in the Village will be affordable; or
- A minimum 5 percentage point increase in affordable housing units in the Village over the number of affordable units calculated by IHDA pursuant to Section 20(b) of the Act.

Since the passage of the Act and the Plan, the Village has seen a decrease in the number of affordable housing units within the Village per IHDA's calculations. From 2003 to 2013, the Village saw a 1% decrease in affordable housing. From 2013 to 2018, the Village saw a further slight decrease in affordable housing.

Lake Bluff is not alone in this regard, with five other North Shore communities having decreases in their affordable housing stock from 2003 to 2018. Since 2013, only two North Shore communities saw an increase of more than 2% (See Appendix).

III. Plan Cont'd

In furtherance of reaching these targets, the Village of Lake Bluff established the following goals for its Affordable Housing Plan:

	Goals	Status	Implementation
1	Development of an ongoing public information program to educate residents and community groups about the Affordable Housing Plan. The **Public information programs** will distribute information in the Village newsletter, website, the Village email listserv, and directly to various community groups and organizations.	↻	**CONTINUOUS**: Not a formal campaign or separate program. This goal remains active and ongoing
2	Within one year of its approval of the Affordable Housing Plan, the Village Board shall refer to the Plan Commission for public hearing possible **amendments to the Lake Bluff Comprehensive Plan** to encourage and attract Affordable Housing in the Village while protecting the public health and safety, and in a manner consistent with the character and environment of Lake Bluff.	☑	**COMPLETE**: In 2023 the Village began updating its Comprehensive Land Use Plan, which included a Missing Middle Housing Study. The study recommended zoning text amendments for more diverse housing options. These recommendations were incorporated into the updated Comprehensive Land Use Plan that was adopted in May of 2025.
3	Within one year of its approval of the Affordable Housing Plan, the Village Board shall refer to the Zoning Board of Appeals for public hearing possible **amendments to the Lake Bluff Zoning Regulations and Lake Bluff Zoning Map** to encourage and attract affordable housing in the Village consistent with the public health safety, character, and environment of the Village, including, without limitation:(a) density bonuses for developments that provide affordable housing units; (b) text amendments to permit multiple family and senior housing developments; map amendments to rezone parcels identified as most appropriate for affordable housing.	☑ »	**COMPLETE**: In late 2022, the Village revised its PRD regulations to provide density bonuses for affordable development. Part of the PRD amendments included mapping many of the parcels most appropriate for this type of affordable housing. **IN PROGRESS:** Following the adoption of the updated Comprehensive Land Use Plan in May of 2025, it is anticipated that amendments to the ADU and R-5 Residence (multifamily) regulations, which would allow for more diverse housing options, will be discussed within 24 months of formal adoption of this plan.
4	Within eighteen months of its approval of the new Affordable Housing Plan, the Village Board shall consider appointing a standing committee of the Village Board to **study affordable housing issues**.	»	**IN PROGRESS:** Target date December 2027
5	The Village Board shall request that the Finance Committee of the Village Board **compile information and prepare a report submitted no later than two years after the adoption of the updated Affordable Housing Plan.** The report will address federal and state financial programs, including grants and other sources of funding, available to assist the Village and affordable housing developers in developing affordable housing in the Village.	»	**IN PROGRESS:** Target date August 2026
6	Within three years of its approval of the new Affordable Housing Plan, the Village Board shall request that the committee on affordable housing meet with non-profit affordable housing agencies and groups to **discuss issues relating to affordable housing, including potential incentives**.	☑	**COMPLETE**: Community Partners for Affordable Housing (CPAH) met with Village Board to discuss issues related to affordable housing in May 2023
7	Not less than every three years following approval of the Affordable Housing Plan, the Village Board shall **review and update the Affordable Housing Plan**.	↻	**CONTINUOUS**: The Village last reviewed and updated its Affordable Housing Plan in 2023 and 2025, and is planning for updates and readoption in Q3 2026

III. Plan Cont'd

Within the framework of the 2005 plan, the Village pursued alternative and additional action steps that promote affordable housing in the Village. These included:

1. Creating a Planned Mixed-Use Development tool to better enable residential developments in its Central Business District and R-5 districts (**Amendments to the Lake Bluff Zoning Regulations**);

2. Participated in a Missing Middle housing competition designed to generate proposals for alternative housing types which may be affordable (**Study affordable housing issues**);

3. Identifying the need for alternative housing types in its 2023 Strategic Plan (**Public information program**);

4. Revising its Planned Residential Development regulations to enable affordable types of housing and provide an explicit bonus to assist in creating affordable units by classifying it as a public benefit (**Amendments to the Lake Bluff Zoning Regulations**); and

5. Revising its Comprehensive Plan to reflect the Village's desire for alternative housing options at various sites within the Village (**Amendments to the Lake Bluff Comprehensive Plan**).

Nevertheless, the Village has not had a substantial increase in affordable housing units. While the IHDA calculations show a net decrease of units over time, these units were not lost as a result of demolition or redevelopment. It is unclear what units IHDA has concluded are no longer creditable to the Village's affordable housing inventory.

III. Plan Cont'd

B. Plan

1. 10% AFFORDABLE HOUSING

According to IHDA's most recent calculations pursuant to Section 20(b) of the Act (See Appendix), the Village of Lake Bluff has a total of 63 affordable housing units in the Village. Accordingly, IHDA has calculated that 2.9% of the Village's 2,150 total housing units are affordable. In order for the Village to reach exempt status under the Act, 10% of the Village's total housing stock must consist of affordable housing units as defined by the Act.

Assuming that the total housing unit calculation of 2,150 does not change, the Village needs a total of 215 affordable housing units to be exempt under the Act. After deducting the 63 existing affordable housing units recognized by IHDA from the total affordable housing units required to be exempt from the Act, 152 additional affordable housing units are needed in the Village.

In identifying properties and structures that are most appropriate for affordable housing, it is important to note that *appropriate* does not simply translate to those properties or structures that are vacant and undeveloped. The character and environment of the Village of Lake Bluff is defined by its well-established single-family residential development patterns and its public and private open space with minimal amounts of developable land remaining.

2. IDENTIFICATION OF LANDS AND STRUCTURES

In light of the existing character and environment of the community, the Village of Lake Bluff has identified the areas most appropriate for affordable housing. Within these areas, any sites that are used for new construction or adaptation of existing units must:

1. Provide compatibility with established land-use patterns, surrounding land uses, and the Village's Comprehensive Plan;

2. If possible, be in mixed-use developments (for multi-unit structures);

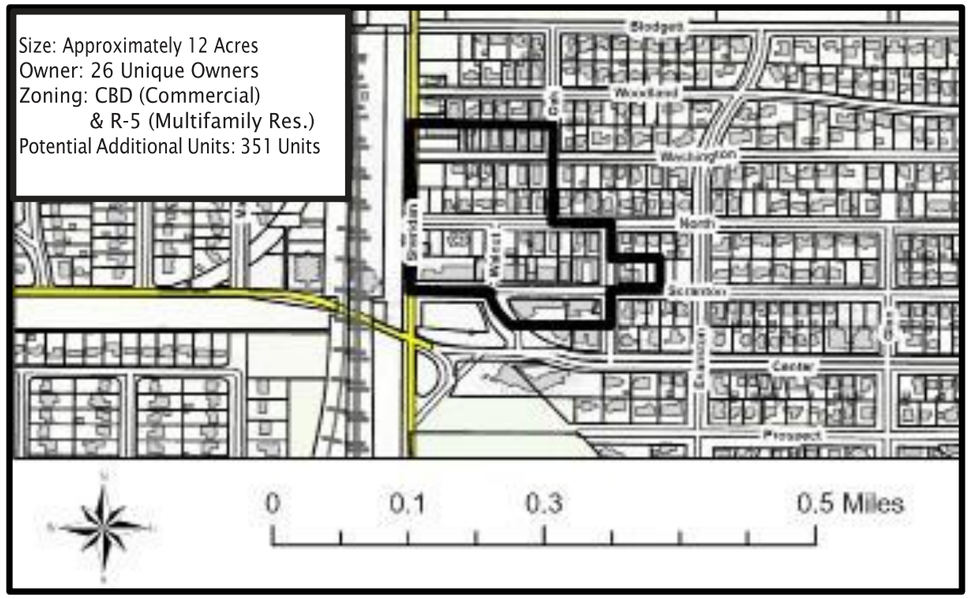
3. Not concentrate affordable housing units; and

4. Be located where there is adequate infrastructure to support such housing developments

The Village originally identified five areas for potential affordable housing development. Since that time, one area has been redeveloped as a single residence and is unlikely to be redeveloped further. The Village affirms its belief that the remaining areas described in the following pages continue to remain viable. The Village has and will continue to undertake policy actions to enable any redevelopment in a manner that creates affordable housing consistent with the goals of this Plan.

III. Plan Cont'd

1. Central Business District (CBD) and R-5 Zoning District



The 1997 Comprehensive Plan contemplates maintaining the unique residential character of the Central Business District (CBD) and its existing zoning classifications of the CBD (1997 Comprehensive Plan). In 2006, a large segment of the CBD was recognized as a historic district listed on the National Register of Historic Places, which further recognizes the importance of this area's existing character to the development of Lake Bluff and the nation.

The Village has undertaken a number of policy initiatives that would promote the creation of new affordable housing units in this area, including: the adoption a new planned development tool in 2016; amendments to Lake Bluff's Comprehensive Plan in 2016; and the Village's participation in a "Missing Middle" housing competition in 2019. However, no new affordable units have been created.

III. Plan Cont'd

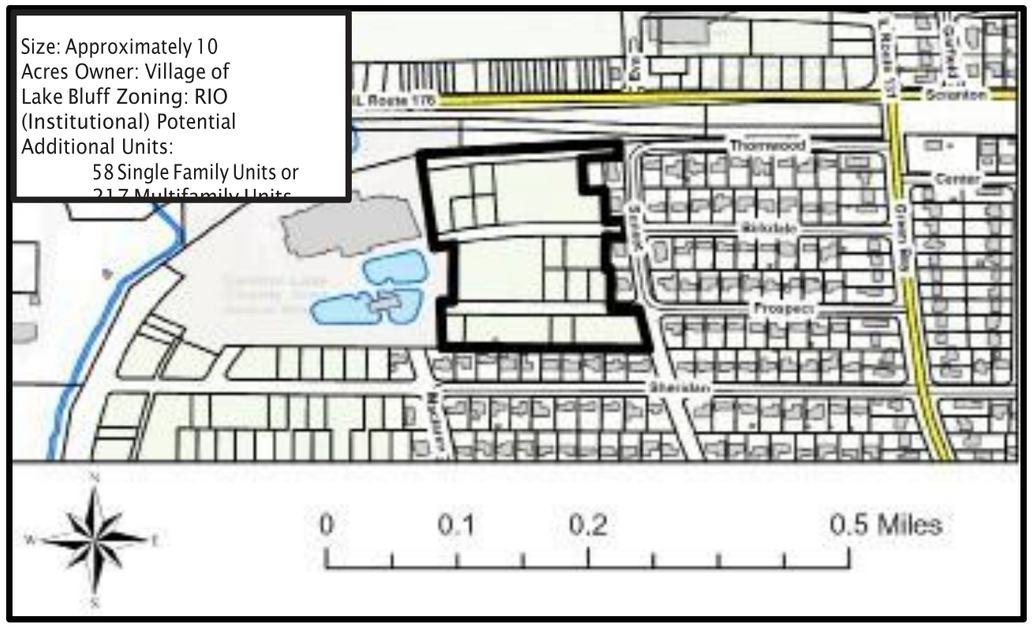
2. 800 Green Bay Road

The 1997 Lake Bluff Comprehensive Plan contemplates this property as higher density Planned Residential Development and as possibly built to serve as empty nester housing similar to Armour Woods (1997 Comprehensive Plan).

Historic preservation is another important goal of the Village. Listed as one of 24 potential sites for historic preservation, this home is historically known as the William J. & Daisy Quigley, Jr. House. Any development must take the historic nature of the property into consideration.

In 2022, the Village amended the Comprehensive Plan to state the redevelopment of estates, such as this estate, are best accomplished in the context of a Planned Residential Development (PRD) and should: prioritize and balance the introduction of new housing types to the Village; the preservation of the Village's natural resources, open spaces, and urban tree canopy; and if possible, the preservation of the Village's historic resources.

3. Area South of Route 176; West of Sunset Terrace; East of the Joint Action Water Agency; and North of West Sheridan Place



The Lake Bluff Comprehensive Plan contemplates this property for development as a park site first and second for relatively low density, lower cost multifamily housing if a sufficient number of housing units cannot be located elsewhere in the Village (1997 Comprehensive Plan).

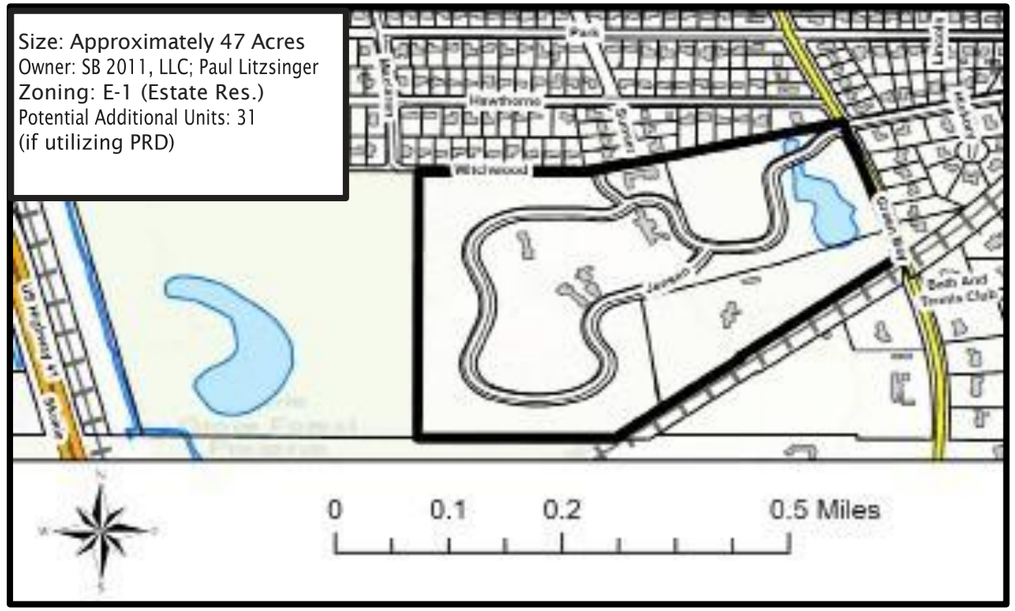
With growing concerns in the Village surrounding affordability for residents to remain in the Village as they age, the Village identified the property located south of Route 176 and east of JAWA as suitable for a senior housing facility. The land is owned by the Village, giving the Village more control over achieving affordable housing goals on this property than the other identified properties.

The land is currently located in an institutional (RIO) zoning district. In order to develop this land for a senior housing facility, the property would have to be rezoned.

In 2007, the Village issued an RFP in order to develop a senior housing facility on this site. Specifically, the RFP called for a 100 to 120 moderately priced, market-rate congregate care (80%) and assisted living senior housing (20%) units and supporting facilities, with structures preferably no more than two stories in height. Additionally, the proposed development would prioritize Lake Bluff residents aged 65 years or older. The RFP received two competitive proposals. However, due to a shift in priorities, the Village opted not to accept either of the proposals.

III. Plan Cont'd

4. Stonebridge & 1650 Green Bay Road



When a change in use is proposed for Stonebridge, the Lake Bluff Comprehensive Plan suggests considering redevelopment in a manner that services as a compatible transition between the residential area to the north and south of this property (1997 Comprehensive Plan).

The Stonebridge property has long remained vacant and was the location of a proposed PRD prior to the Great Recession. In 2021, the Village reached a settlement agreement with the owner of the property that provides a process for redeveloping the property. In 2022, the Village adopted its new PRD tool, which recognizes that affordable housing is a public benefit and allows for additional density under certain circumstances. The Village also amended its 1997 Comprehensive Plan to recognize that Stone is best redeveloped as a PRD and in a manner consistent with these principles among other policies:

1. Any proposed rezoning in conjunction with redevelopment should facilitate an effective transition between existing residential uses and Green Bay Road.
2. The easterly 11 acres should be accessible to the public and reserved for open space and possible recreational use consistent with the restoration and preservation of the historic Jens Jensen landscape plans; and
3. A development should be integrated with and connected to surrounding land uses and properties.

III. Plan Cont'd

3. SHARING AFFORDABLE HOUSING WITH LAKE FOREST

In addition to the foregoing sites within the Village of Lake Bluff's jurisdiction, Section 25(e) of the Act allows non-exempt local governments to enter intergovernmental agreements with other units of local government within 10 miles of their corporate boundary in order to encourage regional cooperation and to achieve affordable housing goals.

The Senior Resource Commission (SRC) that serves the Village of Lake Bluff and the City of Lake Forest has proposed a financial investment for the Village of Lake Bluff to gain a level of access and priority to new and, perhaps, existing affordable senior housing developments. The current discussion for the facility is in west Lake Forest and would require a between a $100,000 and $650,000 investment from Lake Bluff, dependent on what the Village can negotiate. The Village is currently exploring options that include investing in a single unit, as well as investing to secure a Lake Bluff preference (second to only Lake Forest residents or family members) for all of the existing cottages.

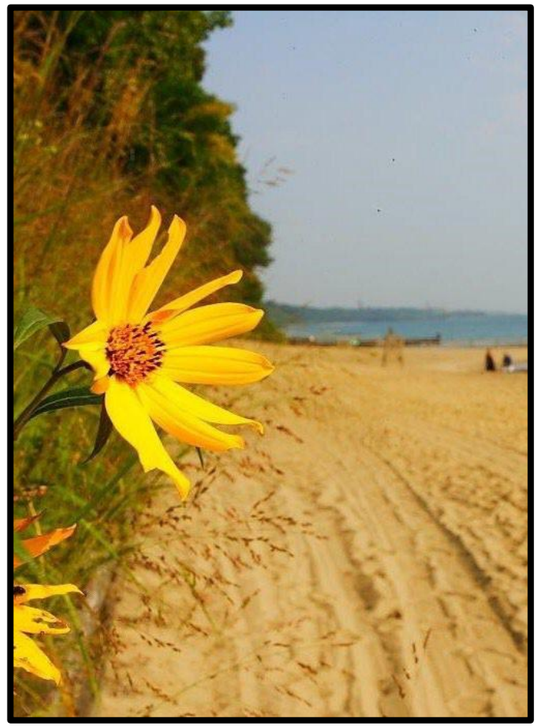
Currently, Lake Forest has an affordable housing share of 5.8% and the Village has a share of 2.9% per IHDA Calculations (See Appendix). According to Section 25(e) of the Act, an intergovernmental agreement would allow Lake Bluff to receive credit for affordable housing units in the proposed west Lake Forest facility, or, at a minimum, further affordable housing goals in an adjacent community.

III. Plan Cont'd

C. Policies and Incentives

The Village of Lake Bluff may, after a careful review to ensure that the public safety and health and the character and environment of the Village will be protected and preserved, consider adopting and implementing, or otherwise facilitating, the following policies and incentives to encourage the development of affordable housing by both for-profit and non-profit developers in the Village:

1. Expedited or reduced costs of permitting fees for affordable units;
2. Municipal property tax abatements;
3. Cooperation with a developer attempting to use IHDA Housing Trust Funds (matching funds);
4. Preparation of development bonus policy;
5. Establishment of a Community Land Trust; and
6. Employer-assisted housing.



IV. Conclusion

The Village cannot control market forces that affect the affordability of land and housing within Lake Bluff, nor the income levels of households that serve as the benchmark for determining affordability. This is particularly true given the small size of the Village vis-à-vis the larger area against which it is measured for establishing affordable housing targets.

Because of these imponderables, as well as the overall uncertainty of the real estate development industry and the changing regulatory milieu in which such development occurs, it is not and cannot practically be a goal of this Plan to meet the target levels of affordable housing units stated in the foregoing pages in any specific time frame.

Rather, it is the objective of this Plan that, by pursuing the goals set forth above, the Village will have created conditions amenable to ultimately achieving the stated affordable housing targets in Lake Bluff in a manner that will not impact the health and safety capabilities of the Village and will protect and preserve the character and environment of the Lake Bluff community.

Appendix

Source: IHDA AHPAA Local Government Data

	2023		
Municipality	*Year-Round Units*	*Total Affordable Units*	*Affordable Housing Share*
Lake Bluff	2,150	63	2.90%
Deerfield	7,475	358	4.80%
Glencoe	3,195	87	2.70%
Glenview	18,406	1,625	8.80%
Highland Park	12,079	766	6.30%
Kenilworth	755	12	1.60%
Lake Forest	7,014	407	5.80%
Northbrook	13,395	674	5.00%
Northfield	2,383	150	6.30%
Wilmette	10,331	501	4.80%
Winnetka	4,353	159	3.60%

Source: IHDA AHPAA Local Government Data

Appendix Cont'd

2018			
Municipality	Year-Round Units	Total Affordable Units	Affordable Housing Share
Lake Bluff	1,992	76	3.80%
Deerfield	6,648	486	7.30%
Glencoe	3,081	78	2.50%
Glenview	16,782	1,223	7.30%
Highland Park	11,361	1,056	9.30%
Kenilworth	792	18	2.20%
Lake Forest	6,557	348	5.30%
Northbrook	12,647	722	5.70%
Northfield	2,126	67	3.20%
Wilmette	9,551	431	4.50%
Winnetka	4,014	110	2.70%

Source: IHDA AHPAA Local Government Data

2013			
Municipality	Year-Round Units	Total Affordable Units	Affordable Housing Share
Lake Bluff	2,157	104	4.80%
Deerfield	6,445	259	4.00%
Glencoe	2,960	40	1.40%
Glenview	16,002	1,183	7.40%
Highland Park	11,473	773	6.70%
Kenilworth	785	4	0.50%
Lake Forest	6,650	370	5.60%
Northbrook	11,970	522	4.40%
Northfield	2,026	50	2.50%
Wilmette	9,432	388	4.10%
Winnetka	3,919	100	2.50%

Source IHDA AHPAA Local Government Data

2003			
Municipality	Year-Round Units	Total Affordable Units	Affordable Housing Share
Lake Bluff	2,173	102	4.70%
Deerfield	6,451	226	3.50%
Glencoe	3,111	106	3.40%
Glenview	**Exempt**		
Highland Park	11,518	876	7.60%
Kenilworth	803	3	0.40%
Lake Forest	6,681	339	5.10%
Northbrook	12,197	644	5.30%
Northfield	2,177	99	4.50%
Wilmette	10,032	554	5.50%
Winnetka	4,176	170	4.10%

Source: IHDA AHPAA Local Government Data