



Affordable Housing Plan

September 2025

Village of
Lincolnwood





I. Introduction

The Affordable Housing Planning and Appeal Act (AHPAA) requires municipalities with less than 10% of their total housing stock classified as affordable to prepare, adopt, and submit an affordable housing plan to the Illinois Housing Development Authority (IHDA). In December 2024, IHDA informed the Village of Lincolnwood that it falls below this threshold, with only 6.7% of its housing stock considered affordable. As a result, the Village is designated as “nonexempt” under the Act. According to the 2023 Report on Statewide Local Government Affordability, Lincolnwood had 4,766 total housing units, of which 318 were deemed affordable. To reach the 10% benchmark, the Village would need to add at least 174 affordable units.

II. Context and Intent

It is the intent of the Village of Lincolnwood to comply with the AHPAA by submitting this Affordable Housing Plan to the IHDA in June of 2025.

Lincolnwood’s proximity to Chicago, its age, and broader economic conditions all influence the availability of affordable housing. Like many Chicago suburbs, the Village faces limited space for new development and must rely heavily on redevelopment, which constrains both the number and scale of potential opportunities.

The Village of Lincolnwood worked with the Metropolitan Mayors Caucus to study the housing market, demographics, and residential opinions in the community. The program (Homes for a Changing Region) assisted the Village in assessing local housing needs and opportunities through meetings with local stakeholders, analysis of trends in the local housing market, and input through a community survey. The process resulted in a plan that summarizes local housing needs and opportunities and recommends strategies based on what has worked best in peer communities similar to Lincolnwood.

In addition to the need for affordable housing identified by IDHA, Lincolnwood has a significant aging population, many of whom are looking to downsize, highlighting the need for more smaller housing units. Many Lincolnwood residents have lived in the village for decades, so preserving the ability to age in place is an important part of the community’s culture. Expanding multi-family housing options addresses both the demand for affordability and the desire of older residents to remain in the community.

The Village believes that this plan, created through stakeholder collaboration and community input, will reach the goals of the AHPAA, while maintaining the character and appeal of Lincolnwood.

III. Mandatory Components of this Affordable Housing Plan

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

- i. 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.

- ii. An identification of lands within the jurisdiction on 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
- iii. Incentives that local governments may provide for the purpose of attracting affordable housing to their jurisdictions.
- iv. 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.
- v. A plan or potential strategies to eliminate or mitigate the constraints identified in item 4.
- vi. 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 its jurisdiction as described in subsection (b) of Section 20 of the AHPAA.
- vii. 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.

IV. Village of Lincolnwood's Affordable Housing Plan

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

i. Total Number of Affordable Units

In the Illinois Housing Development Authority's 2023 calculation, 318 of 4,766 homes in Lincolnwood, or 6.7% of the community's housing stock, were considered affordable. To reach the 10% threshold and exempt the municipality from the AHPAA, Lincolnwood would need to add 174 affordable homes.

ii. Appropriate Land Opportunities for Affordable Housing

The Village of Lincolnwood has limited opportunities for new development, with few vacant lots or open green spaces available. As a result, future growth will largely depend on the redevelopment of existing properties. This plan highlights areas of naturally occurring affordable housing that can be preserved and strengthened as part of that strategy. The primary areas of focus are R4 zoning districts and districts within two TIF Districts (North-Lincoln TIF and Devon-Lincoln TIF). It is important to note that the districts within the TIFs are B zoning (1-3) and have been discussed in the Village's Comprehensive Plan as areas of potential redevelopment.

Consideration of Owner-Occupied Units and Units for Rent

The AHPAA requires consideration of both owner-occupied and rental units. Lincolnwood's housing stock is predominantly composed of single-family homes, though there is a modest presence of multifamily properties across the community, with ownership units outnumbering rentals. The focus areas identified above aim to expand rental housing opportunities.

Developer Commitment

Currently the Village does not know of developers interested in an affordable housing development in Lincolnwood.

Publicly Owned Land

The Village of Lincolnwood primarily owns properties relevant to municipal services (Municipal Campus, Public Works, etc.) and an abundance of parks throughout the community. Other publicly owned properties are owned by Skokie Park District, Metropolitan Water Reclamation District of Greater Chicago (MWRD), and School Districts 74 and 219.

iii. Local Government Incentives

The Village outlines a primary strategy to promote affordable housing development in Section V of this report. A key potential incentive tied to this strategy is a density bonus, while maintaining parking requirements. This bonus would allow developers to construct additional units, either through increased building height or greater floor area than current zoning allows, in exchange for dedicating a portion of the development to affordable housing. Each proposal will be evaluated individually through the Village's review and approval process.

iv. Constraints

The development of affordable housing in the Village faces several significant challenges. As previously noted, there is limited availability of undeveloped and municipally owned land. Additionally, Lincolnwood's proximity to Chicago contributes to high land values, strong housing demand, and elevated prices for both owner-occupied and rental properties. Construction costs also remain high. In essence, broader market forces, particularly the cost of land and construction, are driving these constraints. While Lincolnwood's desirable location and unique character make it a popular place to live, this very demand is also contributing to rising housing prices.

The Village's zoning ordinance permits a range of residential use across various districts, including R1 through R4 and B1 through B3. However, Lincolnwood's existing housing stock is predominantly located in R2 and R3 zones, which limits the availability of land designated for multi-family housing. The areas that are zoned for multi-family use are already fully developed. In recent years, zoning amendments have been made to encourage more mixed-use development and to create transitional areas between residential and business districts.

Additionally, community outreach indicates that 51% of residents have lived in the Village for over 20 years and are long-term homeowners. This stability affects housing vacancy rates, rental availability, and the ability of the Village or developers to acquire properties for new development.

v. Potential Strategies to Eliminate or Mitigate Constraints

The Village of Lincolnwood is dedicated to expanding its supply of affordable housing and believes that adopting an inclusionary housing ordinance is the most effective and appropriate approach. This ordinance, paired with a proposed density bonus, is intended to support both mid-and long-term affordable housing development. Additionally, the Village may consider evaluating existing zoning regulations, including those in the R4 district, the B1, B2, and B3 business districts, as well as areas located within the two Tax Increment Financing (TIF) areas. To further support the preservation of naturally occurring affordable housing, the Village may also collaborate with internal and external partners/communities.

vi. Lincolnwood’s Goal

This Plan adopts the third goal - a minimum of a total of 10% affordable housing within its jurisdiction as described in subsection (b) of Section 20 of AHPAA. To achieve a total of 10% affordable housing within its jurisdiction, the Village would need to create approximately 174 affordable units through conversion, new development, or a combination of both. These additions would increase the total share of affordable housing in the Village to 10% and the total number of units to 492.

vii. Proposed Implementation Timeline

The Village aims to consider the potential implementation of an Inclusionary Housing Ordinance within 20 months of the adoption of this Plan. Subsequent implementation actions will be considered after this initial period.

May-June 2025: Draft and adopt Affordable Housing Plan

June 6, 2025: Submit Plan to IHDA, in accordance with the law

October 10, 2025: Submit revised Plan to IHDA, adjusting area of non-compliance

October 2025- Mid 2027: Consider potential methods and partners to implement Plan

2027-2029: Continued Implementation and Evaluation

2029: New Progress Report drafted and submitted to IHDA

Strategy	Next Steps	Timeframe
Pursue the adoption of an Inclusionary Housing Ordinance (IHO)	Research inclusionary developments and policies in peer communities	Short-Term (6 months)
	Consider a process and timeline for drafting an Inclusionary Housing Ordinance	Mid-Term (6-12 months)
	Craft a community engagement and education strategy	Mid-Term (6-12 months)
	Evaluate the feasibility of an IHO approach in Lincolnwood	Mid-Term (6-12 months)
	Formalize an IHO for Lincolnwood	Long-Term (12-20 months)