

**Chicago Rehab Network  
Department of Housing 2<sup>nd</sup> Quarter 1998 Analysis**

**DOH Multi-Family Development a Misnomer**

With this report DOH released the list of multifamily projects expected to be approved in 1998. Ten are Low Income Housing Tax Credit projects, the other five are either tax exempt bond projects or just secondary financing. On an important note, CRN would like to acknowledge DOH's progress in using multi-family mortgage revenue bond with these three projects. Bonds will be utilized to such an extent that DOH is exceeding the 1998 bond projections by \$3.5 million.

Unfortunately a preliminary analysis of the developments and units (see table) shows that again the majority of the units will not be for families. Once the projects are approved, detailed information on bedroom size and income level served will be available and a complete analysis can be conducted. Of the 1,226 rental units anticipated in 1998, preliminary analysis shows that only 44% will be for family housing. One third of the developments are senior housing projects, but 41% of the DOH financed units will be in these projects, which are typically one-bedrooms or studios. In addition another 14% of the units are in SRO or special needs projects.

<b>Type of Housing</b>	<b># of Projects</b>	<b># of Units</b>	<b>% of Total Units</b>
Family	8	546	44%
Senior	5	506	41
SRO/Special Needs	2	174	14
Totals	15	1226	---

As in the past CRN does not suggest that housing for seniors or low income single people is not important. Rather, as we all said during the 1999-2003 Affordable Housing Plan process, we must increase the resources available for affordable housing. CRN and the Campaign for Housing Justice have just released a *Federal Housing Platform* that outlines funding priorities for affordable housing. We call on DOH and the Committee on Housing and Real Estate to review and endorse the *Federal Housing Platform*.

Affordable family housing was strengthened and retained by a DOH program not discussed in this report. We commend City Council for the passage of the Chicago Homeowners Assistance Program (CHAP). Broad effective outreach by DOH and alderman will ensure that maximum benefit is achieved for moderate income homeowners in gentrifying communities.

**Some Programs Still Underutilized**

In looking at the first quarter 1998 DOH report, CRN identified programs that had ambitious goals or a history of poor utilization. Three of the programs still have not had any dollars committed half way through 1998. These are Affordable Rents for Chicago (ARC), Vintage Homes and Condo Rehab. With more success, Single Family Rehab, which has a

history of not reaching its goals, has committed 38% of its 1998 funding level. And as discussed above, DOH, while not committing bond and TIF dollars, has identified the anticipated projects for this funding.

We look forward to participating in program reviews to ensure that they achieve their goals. The purpose of both the Vintage Homes and Condo Rehab programs is important, both in increasing homeownership opportunities and in preserving Chicago's housing stock. ARC is an important rental subsidy program that has often not been fully utilized because developers find it difficult to use and the funding source (HOME) is not compatible with some projects.