



CRN Analysis DOH Quarterly Report of 3rd Quarter 2005 Presented December 19, 2005

We want to applaud the Committee and the Department for upholding a strong leadership position as it pertains to affordable housing. Several recent legislative reform policies have been proposed which have been rectified in a manner supportive of affordable housing— the General Contractors Licensing Requirements, the challenge to the Affordable Housing Density Bonus, initiation of the Citywide Land Trust, and our request for resources to assist nonprofit developers with energy costs.

The City's quarterly report states the intention to incorporate the progress of the 10-year Plan to End Homelessness and announces the Supportive Living Awards. We are hopeful that similar reporting can be produced as to the City's large investment in the CHA's Plan for Transformation.

Production Overview

	0-15%	16-30%	31-50%	51-60%	60-80%	81-100%	101+%	Total
Multi-Family	1,865	1,314	930	124	33	(13)	(3)	4,271
Single Family	20	11	54	126	330	493	602	1,686
Home Improvement	138	560	729	125	243	125	40	1,959

At mid-year, DOH is far ahead in reaching its annual projections for both multi-family and single-family unit creation – having funded 79% of multi-family units and 102% of single family units projected for 2005.

As for resource allocation, the Department is on track for its spending projections, and in fact, has exceeded its goals in many program areas. Few programs are not keeping pace with projections.

Multifamily Housing	Program	% of Spending Goal*
	City Land	318%
	Trust Fund	103%
	CIC/CDFI Funding	151%
	Troubled Buildings	38%
	TIF-NIP	0%
Single Family Housing	New Homes	261%
	TIF Subsidies	224%
	City Land	345%
	Donations Tax Credit	103%
	Troubled Buildings	48%
	NLP Pres Loans	23%

* Refers to production as of 3rd Quarter 2005 compared to 12-month goal.

In 2005 DOH-financed 4 Plan for Transformation projects during the three quarters of 2005, including 659 public housing replacement units. These developments incorporate many sources of financing/resources via the Department of Housing including Multifamily Loans, Mortgage Revenue Bonds, TIF Assistance, Low Income Housing Tax Credits, as well as the Illinois Donations Tax Credit.

Plan for Transformation Projects Funded - 2005

Q	Project Name	Total Units	Total <30%	101+%
1	Oakwood Shores (Madden Wells)	162	63	102
1	Hilliard Homes II	327	152	
1	Park Boulevard (Stateway)	100	100	139
2	Harrison Courts, Lathrop Elderly, Loomis Courts	344	344	
1	Roosevelt Square Phase I (for sale)	121		40
	Total	1,054	659	281

As the future plans for the Lathrop Homes are currently being developed, CRN would like to make several recommendations. Lathrop Homes, located around Diversey Clybourn and Damen Avenues, is situated in a unique market.

Historically, the Lathrop area was largely working class – unlike most of the other CHA Transformation Areas. The development has also had a stable blend of African-American, Latino and white families in a way that is unique among the CHA family developments.

Today, the development of condos and single-family homes is booming directly adjacent to Lathrop. Though the typical CHA redevelopment formula is to rebuild with the 1/3 1/3 1/3 mix, with one of those thirds being market rate, that formula should be reexamined in this case. The surrounding community provides an abundant and growing number of options for market-rate housing without any need for additional public sector investment. The area has decent transportation and is relatively job-rich in comparison to other Transformation communities.

The chart below reflects the sharp market increases over a 3-year period.

Community Area	Median Home Price 2000	Median Home Price 2003	% Change 2000-2003	Median Household Income 2000	Median Household Income 2003	% Change 2000-2003
Avondale	\$235,000	\$312,000	32.8%	\$36,667	\$40,807	11.3%
Logan Square	\$214,000	\$311,500	45.6%	\$36,245	\$41,906	15.6%
North Center	\$348,750	\$460,000	31.9%	\$51,758	\$60,746	17.4%
Lincoln Park	\$368,000	\$420,000	14.1%	\$68,613	\$87,684	27.8%

With almost 2,000 units of affordable rental housing already at risk in the communities that surround Lathrop—including Logan Square, Avondale, Lincoln Park and North Center—areas, any loss of rental housing will have an adverse affect on people of limited means. CRN encourages the City to consider the needs of existing low-income residents not only residing in Lathrop Homes currently, but also the great waiting lists for quality affordable rental housing that exists throughout the City.

This is the first quarter that the Balance Sheet of the Chicago Low Income Housing Trust Fund is included. It is very useful information and can assist in assuring full utilization of those resources. The report does not reveal the amounts of *in lieu of funds* collected via the Affordable Requirements Ordinance. We would guesstimate that the balance is in the several millions and a full accounting of monies received and dispersed for affordable housing purposes would be appreciated. Also unknown are the policies which will govern this Fund.