

CHICAGO DEFENDER

Housing watchdog group say Chicago's pricing minorities out of city

by Demetrius Patterson, Chicago Defender
January 24, 2007

Chicago residents are paying more of their income to live in a city real estate market with skyrocketing housing costs and dwindling rental options.

Such were the findings in an analysis released Tuesday by the non-profit Chicago Rehab Network, which compared Chicago's U.S. Census trends from 2000 to statistics gathered in 2005.

The end result: many minorities may find that they can't afford to live within the city limits soon if they don't press affordable housing as a key issue with the current mayoral and aldermanic candidates, Kevin Jackson, director of Chicago Rehab Network told the Defender Tuesday.

"What you have here is an updated analysis," Jackson said. "It's a snapshot of what's going on in the city of Chicago overall on housing affordability.

"What's glaring is that you have four different indicators all moving in ways that makes affordable housing hard to obtain, and to maintain."

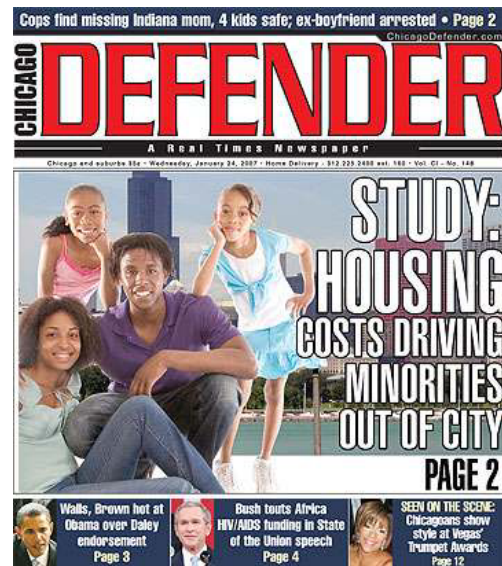
As an example, Jackson said the number of people who own homes and who are spending more than 35 percent of their income on their mortgages has climbed significantly over the five-year period.

"And in rentals, the number of those paying more than 35 percent of their income is up 45 percent," Jackson said.

"The median home purchase is \$225,000, up from \$150,000 just five years ago. What you need to make to afford a (home) purchase price today, you need to be making in the vicinity of \$58,000 (a year). But in terms of our household incomes over the past five years, we are seeing a decline."

Another factor is the loss of 71,000 rental units from 2000 to 2005, Jackson said.

"That's a decrease of over 6 percent," Jackson said. "When we reported in the 2000 Census, Chicago only lost a fraction (of rental properties) over the past decade. This is a much higher rate



of loss. It's an extraordinary rate. People who own or who are renting are paying more than ever before. Costs are rising and incomes aren't rising; they went down."

The impact of the CRN snapshot of the city's housing situation spells out possible dire impact for many minorities in Chicago, Jackson said.

"We think that the citizens of Chicago should put affordable housing at the top of their list so that we are preserving what exists now," Jackson explained. "Because once you use it up, it's hard to get it back.

"The Latino and African American communities, on average, their incomes trail the white communities. If they are always paying most of their incomes to keep housing, well that's not going to be able to (keep) happening."

Mayoral candidate William "Dock" Walls told the Defender Tuesday that the CRN findings aren't a surprise to him at all.

"It mirrors what we've found," he said. "There is no such thing as affordable housing in the city of Chicago anymore. Many people in the city of Chicago are spending 50 percent of their income on housing related costs."

Calls placed to Mayor Richard M. Daley and to the mayoral candidate Dorothy Brown were not returned.

The Chicago Rehab Network is a citywide coalition of neighborhood and community based development organizations. Founded in 1977, the coalition's membership consists of over 40 housing organizations representing more than 60 city neighborhoods.