

Housing costs hurt more ; 800,000 in state pay 3rd of income on rent, mortgage:[Chicago Final Edition]

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Nearly 800,000 Illinois families are overburdened by having to pay more than a third of their annual income toward rent or mortgages, a figure that underscores the need for more affordable housing statewide, the Chicago Rehab Network concluded in a report to be released Tuesday.

The network's Affordable Housing Fact Book provides the statistics that support what people like Eliud Medina have seen take place in his West Town neighborhood.

Areas like West Town and the northern lakeshore have attracted affluent residents to move into the city, but the resulting high housing costs have pushed out longtime residents, who resettle in bustling areas on the city's Northwest and Southwest Sides, or move out of the city altogether.

"Being able to afford a home is no longer a problem for just the poor," said Medina, executive director of the Near Northwest Neighborhood Network.

Citywide, there was good news: The median rent increased only 3 percent from 1990 to 2000, while homeownership and median income both increased, 9 percent and 10 percent, respectively.

The uneven patterns of development, however, created a crunch for many city dwellers as housing costs increased and the number of people living in overcrowded homes grew, the report says.

Ald. Manny Flores (1st), who represents part of the West Town neighborhood, said affordability is an issue for people of all walks of life--teachers, public servants and people making less than \$40,000 a year.

"You can't afford to pay \$350,000 or \$400,000, and that's just for a condo in many communities," Flores said.

The number of mortgage foreclosures initiated in the city grew 74 percent from 1993 to 2001, when 8,556 were initiated, according to the report.

Housing advocates hope the report, coupled with the work of an affordable housing task force recently created by Gov. Rod Blagojevich, will lead to solutions.

"For the first time in years, there is momentum in the state about housing and its affordability," said Kevin Jackson, executive director of the Chicago Rehab Network.

The report also shows that the need for affordable housing is not limited to the city.

In relatively affluent areas like DuPage County, where the median home value is \$195,000, the poverty rate is still low overall, but the number of people living in poverty grew over the last decade, according to the report.

In Lake County, some communities, such as Highland Park, have started to address the lack of affordable housing.

In the fact book, the Chicago Rehab Network also outlines ways that communities can improve their affordable housing stock.

"Historically, we've known issues of housing costs and affordability are associated with the city," Jackson said. "This report shows it's growing beyond any particular geography and boundaries."