

# 2009-2013 AFFORDABLE HOUSING PLAN

Keeping Chicago's neighborhoods affordable.



## 2011 Second Quarter Progress Report April-June

City of Chicago  
Rahm Emanuel  
Mayor







## LETTER FROM THE COMMISSIONER

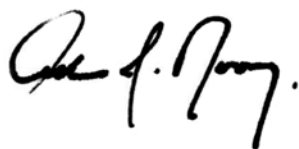
We are pleased to submit the 2011 Second Quarter Progress Report, which presents the Department of Housing and Economic Development's progress on the goals set forth in the City's fourth Affordable Housing Plan for the years 2009-2013.

Through the second quarter of 2011 the Department has committed over \$160 million to support nearly 5,000 units of affordable housing. This represents approximately 37% of our annual resource allocation goal and 60% of our units assisted goal.

In the second quarter, the Department approved financing for three multifamily developments and held a Housing Resource Fair for prospective homebuyers and current homeowners seeking information on the wide range of resources available to them.

Despite ongoing challenges in the housing and lending markets, the Department continues to successfully work toward achieving our annual goals under our three main program priorities: Create and Preserve Affordable Rental, Promote and Support of Homeownership, and Improve and Preserve Homes.

As always, we would like to thank all our partners for their continued support and cooperation. Working with them, we will continue to progress in our goals to create and preserve affordable housing for the people of Chicago.



Andrew J. Mooney  
Commissioner







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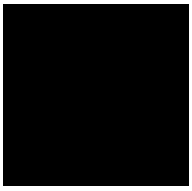
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## REFERENCE

1. Chicago Metropolitan Area Median Incomes
2. City of Chicago Maximum Affordable Monthly Rents







## INTRODUCTION

This document is the 2011 Second Quarter Progress Report on the Chicago Department of Housing and Economic Development's fourth Affordable Housing Plan, 2009-2013.

For 2011, HED projected commitments of over \$437 million to support 8,051 units of housing.

Through the second quarter of 2011, the Department has committed over \$160 million to assist nearly 5,000 units, representing almost 60% of the 2011 unit goal and 37% of the resource allocation goal.









# CREATION AND PRESERVATION OF AFFORDABLE RENTAL UNITS

## Multifamily Rehab and New Construction

### **New Moms Inc.**

In May, City Council authorized \$4.1 million in loans, fee waivers, and the transfer of \$276,000 in donations tax credits for the construction of a residential home for teenage mothers and their children in the Austin community.

The four-story building, to be built on the site of the former 15th District Police Station at 5327 W. Chicago Ave., will provide 40 units of permanent supportive housing for teenage mothers who are at risk of homelessness. The \$12 million complex will also include a day care facility, meeting rooms, administrative offices and training space. A number of “green” elements will be incorporated into the building’s design, including an Energy Star-rated roof, permeable pavers and a high-efficiency HVAC system.

The project is expected to generate 12 new jobs and retain 31 current positions. New Moms will offer teenage mothers parenting classes, job training and educational opportunities that they will need to become independent, self-supporting women.

Since 1983, the grass roots organization has provided housing and support services to over 1,000 teenage mothers and their children.





## Park Boulevard Phase IIA

The City Council approved an ordinance authorizing \$15.3 million in loans, up to \$26 million in bonds and fee waivers for the construction of Park Boulevard Phase IIA in the City's Douglas community. The planned \$41.9 million development will provide 128 units of rental housing in four buildings located in the 3600 block of South State St. and West 36th St. (the former site of CHA's Stateway Gardens), and is part of the CHA's Plan for Transformation.

The Park Boulevard mixed-income community is on the south side of Chicago, marked by Chicago institutions and amenities such as the Illinois Institute of Technology (IIT), U.S. Cellular Field and Chicago Police Headquarters, all within a block of three rail transit stations and less than a ten-minute ride to the Loop. The existing Park Boulevard Phase I contains 11,000 square feet of retail, which includes Starbucks, FedEx/Kinkos, National City Bank and other local retailers.

A central feature of the Park Boulevard site plan is the proposed reconfiguration of the existing Stateway Park, which is currently in the planning stage. However, the existing and proposed playgrounds in Stateway Park, an additional existing playground on-site, and the Phase I center park (half an acre) with two "pocket" parks provide numerous green spaces for recreation and activity.

The developer, Stateway Associates, LLC, plans to construct four mixed-income buildings with a blend of one to three bedroom apartments. The buildings will offer 29 market-rate, 53 affordable and 46 replacement units for former CHA residents. The building sizes will range from six- to 80-unit structures.

Additional funding for the project will come from the CHA and tax credits.

## SOS Children's Village

In June, the City Council authorized the sale of seven acres of City-owned land for \$1 to Laramie Holdings, LLC. The site, in the Austin community, will be the future home of an SOS Children's Village, which will provide long-term, family-based care and education for children and young adults. Each of the 24 buildings will be operated by SOS Children's Village Illinois, bringing youth together in permanent homes headed by professional foster parents. The developer will construct a family home, 12 safe homes and 11 for-sale two-flat buildings for moderate-income families on the site in the 37th Ward.



## Goldblatts Senior Living

In June, the City Council approved an Ordinance authorizing up to \$18 million in bonds, \$1 million in loans and \$2.9 million in TIF funds for the rehabilitation of a former Goldblatt's department store into a 101-unit supportive living facility for seniors in the New City community.

The developer, Goldblatt's of Chicago LP, plans to convert the upper floors of the building at the southwest corner of West 47th St. and South Ashland Ave. into 27 one-bedroom and 74 studio units with kitchenettes for low-income seniors. Three units will have no income restrictions.

Other amenities in the 20th Ward development will include a dining room, commercial kitchen and common area space for tenant activities. An adjacent parcel will also be developed for parking.

The ordinance also amends the land use designation in the TIF plan from commercial to residential use.





## Updates on Previously Reported Developments

### **Grand Opening of the Dr. King Legacy Apartments**



On April 4, 2011-- the 43rd anniversary of Dr. Martin Luther King's assassination-- Commissioner Andrew J. Mooney joined North Lawndale community leaders and residents for a ribbon-cutting ceremony dedicating the Dr. King Legacy Apartments, 45 units of affordable housing located at 1550 S. Hamlin Av., where the Reverend Dr. Martin Luther King lived in 1966 while Chicago was his base of operations.

“This new development both demonstrates the City’s strong commitment to providing affordable and supportive housing for our residents who need it and honors the memory and legacy of the Reverend Dr. Martin Luther King,” Mooney said.

The City was a partner in the development with the Lawndale Christian Development Corporation through \$6.5 million in loans and tax credits.

The Dr. King Legacy Apartments include 45 affordable, energy-efficient rental units. Ten of the units will be set aside for Chicago Housing Authority voucher holders. The development also includes commercial space on the ground floor, open green space and a number of sustainable features, including a partial green roof and the use of recycled materials in construction.

The apartments are located within the new 4-acre Martin Luther King Historic District, which is part of a larger effort to bring affordable housing and commercial development to North Lawndale. Ultimately, the district will include a new campus park, a new library, a job training center and the Martin Luther King Fair Housing Museum.

“It is developments like these that help our neighborhoods grow stronger, and demonstrate how working together we can collectively provide affordable housing and economic opportunities citywide,” Mooney said.





## PROMOTION AND SUPPORT OF HOMEOWNERSHIP

The Department of Housing and Economic Development (HED) partnered with Ald. Ray Suarez (31st) to host a Housing Resource Fair on Saturday, April 30, 2011.

The free event was held from 10 a.m. to 1 p.m. at Falconer School, 3020 N. Lamon Ave., and featured representatives from a variety of housing-focused and local government agencies that offer information and resources about housing.

“This collaborative effort will bring information on affordable housing opportunities to the attention of residents in the area,” HED Commissioner Andrew J. Mooney said. “We want to provide a convenient opportunity to share information on the wide-range of housing options and resources that are available citywide – from senior housing opportunities to best-practices for landlords.”

The event was a one-stop shop where people with housing needs could get information about available resources and attend workshops on landlord training, weatherization and other topics.

The intent of the fair was to acquaint people with a broad array of programs and services including information on landlord/tenant rights and responsibilities, senior housing, foreclosure prevention, weatherization and energy efficiency and more. Homeowners who have fallen behind on their mortgage payments and are at risk of foreclosure also had the opportunity to meet with housing counselors to discuss mortgage payment options.

Additionally, homeowners could access home improvement resources, and representatives from the City’s Tax Assistance Center were on hand to offer assistance on property tax issues.

“It is vital that we work with our community partners to help educate residents on housing issues and to help provide affordable housing options,” said Suarez, Chairman of the City Council’s Housing and Real Estate Committee. “By bringing together affordable housing providers and other agencies in one location, we can provide answers and direction for residents about whatever their housing needs may be.”





# IMPROVEMENT AND PRESERVATION OF HOMES

## **Preserving Communities Together**

In April, the City Council approved ordinances authorizing the transfer of three vacant buildings in the West Garfield Park, West Pullman and Auburn-Gresham communities to approved developers under the Preserving Communities Together (PCT) program, an initiative designed to reclaim abandoned property.

Franklin Williams Enterprises, Inc. will rehabilitate the two-story building at 212 N. Kostner Ave. in the 28th Ward. The two-unit building at 1422 N. Leamington Ave. in the 37th Ward and the single-family home at 8730 S. Morgan Ave, in the 21st Ward will be conveyed to Property Holdings, LLC for renovation.

The developers will pay all costs incurred by the City in holding the properties prior to conveyance. Once renovation is completed, the buildings will be sold at affordable prices to qualified buyers.

PCT enables interested applicants to identify vacant and abandoned properties for acquisition by the City, so that they can be turned into quality affordable housing owned and occupied by responsible private owners.





## POLICY AND LEGISLATIVE AFFAIRS

### **Legislation to Protect Renters Impacted by Condominium Conversions**

On May 4 the City Council approved an ordinance to protect and inform existing rental tenants impacted by condo conversions and provide more transparency about physical building conditions to purchasers of new or converted condos. The legislation is the outcome of the Mayor's Condo Task Force, which was established in 2007 and charged with developing recommendations for a comprehensive condominium conversion policy.

The ordinance accomplishes the following:

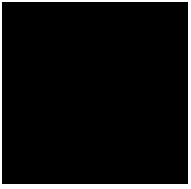
- Establishes a Condominium Registration Program for new and converted condos.
- Protects existing rental tenants during condo conversions by increasing the required tenant notice period and lease extensions and requiring relocation assistance to be provided to existing tenants.
- Strengthens disclosure requirements for new and converted condos by establishing and requiring a standardized, easy-to-understand Disclosure Summary containing details about the property for consumers.

The Department of Housing and Economic Development will administer the ordinance, with enforcement to be handled by the Department of Business Affairs and Consumer Protection.









# APPENDICES

