



December 4, 2018

The Honorable Joe Moore
Chairman, City Council Committee on Housing and Real Estate
121 N LaSalle
Chicago IL 60609

Dear Alderman Moore:

The Chicago Rehab Network (CRN) writes this letter to congratulate the city of Chicago and the Department of Planning and Development in establishing a new 5 year housing plan, One Chicago. The process and leadership have been professional and inclusive; we admire the Department's staff in getting this accomplished. One Chicago provides an expansive view of Chicago's housing landscape with its analysis of markets, and identification of systemic problems as "Chicago's legacy of racial and income segregation... (resulting in) poverty and disparities in access to opportunities." This foundation enables the plan to build upon a range of initiatives to meet its stated goals and guiding principles. The thirteen program spotlights are particularly helpful in featuring the expertise found in the field and department and the impact of focusing on housing and its affordability for community and household stability. So it comes as quite a surprise that a project of such massive impact for the city and her residents has been level funded for the next five years. As we have noted in our quarterly reports repeatedly over the past year the resources are insufficient.

Chicago is in a period of transformation: companies are bringing their headquarters back into city limits, while substantial developments that are being planned, such as Lincoln Yards and Community 78, will have ripple effects for the entire city. Mayor Rahm Emanuel has announced that he will not seek re-election after completing his second term.

These changes present a challenge. Often referred to as a "tale of two cities," Chicago continues to be one of the most segregated cities in the nation, and according to research by the Institute of Housing Studies, black households and low-income households are leaving the city as the gap between affordable rental housing supply and demand increases. In the midst of growth and change in the city, it is imperative that we work to ensure that those communities facing or at risk of facing disinvestment and displacement are prioritized.

The challenge remains how to foster development without displacement. One Chicago must have a vision that includes a home for all. And we have a ways to go: nearly 50% of Chicago renters are cost burdened and almost as many owners. The Institute of Housing Studies at DePaul pegs the shortage at

approximately 118,000. To address this level of housing insecurity and its destabilization to so many residents of Chicago, we look to the budget that displays, unequivocally, the city's approach to housing – and there is not much there.

The city of Chicago 2019 budget does not embolden us that there will be a ramping up of attention and rapid response to housing needs in this city. While there has been a bit of fanfare in that the 2019 budget reintroduces a Department of Housing, its Corporate Fund support, at \$4,348,251.00 is woefully short of the support afforded the Department the last time the city had a stand-alone Department of Housing that had a \$32,300,000.00 Corporate Fund commitment back in 2008. More, much more, must be done to increase the resources for affordable housing across this city.

The plan does recognize more needs to be done to raise resources and outlines ideas in various parts of the plan such as “ the City will explore how to expand the funding available to the LIHTF...” – one of CRN's “Five Strategies for an Inclusive City.” In its “Innovation and Collaboration” section, One Chicago lists the partnerships to build upon and areas where new resources may be harnessed such as an “Investment in a Healthy Housing Fund.”

We look to this plan as a beginning and as before, as always, CRN will continue to collaborate in the revitalization of neighborhoods with our members and stakeholders across the city.

Respectfully,

Kevin F. Jackson
Executive Director

Cc:
Commissioner David L Reifman
Managing Deputy Commissioner Anthony E Simpkins