

Chicago Rehab Network

Analysis of the City of Chicago Department of Housing Third Quarter 1996

The point isn't that the Government has done nothing. The point is that it hasn't done enough to give most poor families a chance at decent housing, and that it doesn't do nearly as much for the needy as it does for those with means.

- Jason DeParle



Some Facts About Demolition

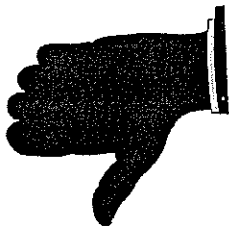
\$16 Million - 1996 City of Chicago Budget for Demolition
\$1 Million - 1996 DOH Budget for the
Housing Abandonment Prevention Program
\$400,000 - 1996 Chicago Abandoned Properties
Program Financing Available

In 1995 nearly two thirds of all properties with buildings demolished by the City through the CAPP program were simply being held within the General Services Inventory.

Source: DOH CAPP Status Report 3/31/95

Note: Since releasing this report in 1995 DOH has not again fully reported on the Chicago Abandoned Properties Program

The Department of Housing Continues to Neglect Latino Neighborhoods



In 1996 DOH has brought one project of thirteen to City Council which is specifically being in a Latino Neighborhood.



The Chicago Rehab Network congratulates the Renaissance Realty Group for the Lyndale Place project in the 26th Ward

Where are All the New Home Owners in Chicago?



In the last three years DOH has spent:

- \$5.1 million to build 257 new homes:
- \$1.9 million to rehabilitate 40 homes:

In 1996 DOH has spent:

- \$61.2 million for 708 Mortgage Credit Certificates; and
- \$41.6 million for 457 City Mortgages.

Current DOH reports do not detail the locations of these programs.

- Recommendation: Report address, ward, developer name, for profit/not for profit status, development budgets, subsidy level, sales price, target income on the New Homes for Chicago and Single Family Rehab programs.
- Recommendation: Report the buyer's names, address, ward, final home sales price, and total amount of DOH subsidy for each of the Mortgage Credit Certificates and City Mortgages.
- Recommendation: Annually publish the demographic breakdown of homebuyers accessing the New Homes for Chicago, Single Family Rehab, Mortgage Credit Certificate and City Mortgages programs including age, race, income and location of former residence.

DOH Rents Higher than Ward Median Rent

The Department of Housing provides large subsidies to developers who create housing with rents equal to or higher than rents available on the open market. The table below compares the rents charged by projects developed with Department of Housing funding and the ward median rent. Source: UIC Voorhees Center adjusted to 1996 with CPI

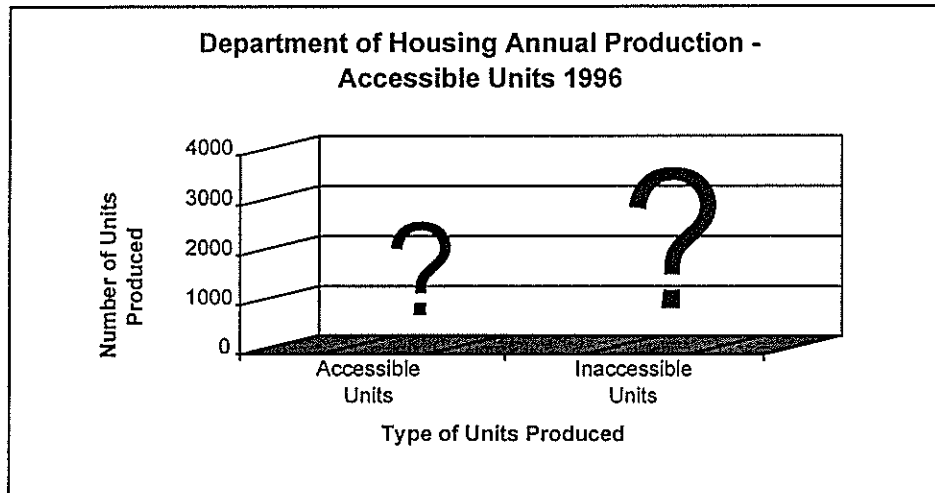
Project	Ward	Ward Median Rent	Project Rents	
Renaissance Apartments	20	\$374	Studio	\$275
			1 Bedroom	\$400
			2 Bedroom	\$450
			3 Bedroom	\$550
			4 Bedroom	\$600
			+ electricity and gas for heat and cooking	
Pine Place Apartments	44	\$448	1 Bedroom	\$400
			2 Bedroom	\$475
			3 Bedroom	\$625
			4 Bedroom	\$725
			+ cooking gas and electricity	
Lyndale Place	26	\$389	1 Bedroom	\$450
			2 Bedroom	\$550
			3 Bedroom	\$650
			Bedroom - ARC	\$302
			Bedroom - ARC	\$350
			+ cooking gas and electricity	
Willard Square	4	\$467	1 Bedroom	\$525
			2 Bedroom	\$625
			3 Bedroom	\$775
			+ electricity and gas for heat and cooking	

The Department of Housing is duplicating work the market is already providing and not effecting the situation of families and individuals most in need.

Recommendation: Do not duplicate what the market already accomplishes

Recommendation: Target housing creation for the very poor whose housing needs are not addressed by the conventional market.

Is the Department of Housing Funding Projects Which Comply with Federal and State Law*?



The current DOH reports do not give the number of accessible units created with each project. Reporting the number of accessible units is a valuable resource for:

- Housing advocates to locate much needed accessible housing within the City of Chicago.
- Assurance of the compliance with federal, state and local laws regarding compliance.

*Section 504, Rehab Act of 1973; Federal Fair Housing Act Amendments 1988; Environmental Barriers Act, Illinois Accessibility Code 1985,

Recommendation:



Include accessibility reporting on all projects funded through the Department of Housing in the quarterly reports to City Council.