

**Chicago Rehab Network**  
**Analysis of the DCD Quarterly Report**  
**1<sup>st</sup> Quarter, 2009**  
**Presented August 11, 2009**

**Introduction**

We are pleased to present our analysis of the 1<sup>st</sup> Quarter 2009 housing production as the first quarterly report from the new Department of Community Development. We acknowledge the Department's hard work during this transition and look forward to more opportunities to improve the quarterly reporting process as planning activities and new stimulus programs are incorporated into the Department's work.

**Neighborhood Stabilization Program**

Beginning on April 13<sup>th</sup>, the city started accepting applications from developers for the Neighborhood Stabilization Program. We understand that the city has selected 40 for-profit and non-profit organizations as Participating Entities but we have not been able to access a list of which entities have been approved. Has the amendment to the NSP which reduced the discount requirement helped in the City's property acquisition efforts? What actions have been undertaken thus far to identify and acquire properties?

We anticipate that the quarterly reports will begin to include NSP reporting next quarter. All stimulus programs are to be carried out with utmost transparency. We recommend that the progress report include the eight activities identified by the Department under its NSP plan: Acquisition for Rehab, Rehab for Rental, Rehab for Homeownership, Acquisition for Land Bank, Demolition, New Construction, Homebuyer Financing/Loan Pool, and Administration.

**Foreclosures**

Last week, the Department began soliciting for proposals to use \$5.4 million in ARRA funds for foreclosure mitigation. In addition to counseling and outreach, the funds are targeted to the expansion of the Troubled Buildings Initiative to include acquisition and deconversion of distressed condominium units to rental housing. This is a particularly salient issue as the housing and credit crisis has ground many condo conversions and developments to a halt, leaving behind empty shells of buildings and creating even more blight in many Chicago communities. During this recession, the need for affordability is critical and the TBI Condominium Program is another tool to put these stalled developments back to use. We offer clarifying questions and recommendations regarding this initiative:

- How is the public able to participate in the Initiative and what is the process for identifying distressed properties?
- How many rental units does the City propose to create under the TBI Condominium Program?
- What are the affordability requirements for new units created under this program and what regulations are in place to preserve long-term affordability?

We recommend that the Citywide Land Trust is extended to these properties to preserve long-term affordability. We are also concerned that once the economy stabilizes in the future, owners of deconverted buildings may opt to convert these units back to condominiums and the initial investment to create affordable rental housing would be lost. While the City should make every effort, first and foremost, to keep these units as affordable rental housing, in the event that an owner decides to convert, the City should exercise the Affordable Housing Preservation Ordinance to protect the City's investment, preserve the affordable housing stock, and strengthen the tenants' ability to maintain their housing.

### **Making Home Affordable**

The City held a Fix Your Mortgage event on May 2<sup>nd</sup> in accordance with Making Home Affordable. The Making Home Affordable Program (MHA), launched by President Obama and the Department of Treasury in February, is designed to help stabilize the housing market by providing assistance to homeowners through loan modifications and refinancing **Can the Department provide a report on how many attended the Fix Your Mortgage event, which banks participated, and how many loans were modified under MHA?** As with any City programs, reporting on its progress is essential in order to enable collaboration and achieve greater impact. This is especially crucial given the multitude of programs coming through under the Recovery Act.

The MHA program's success also depends on the participation of mortgage servicers. As of July 2009 the Treasury has signed contracts with 31 servicers throughout the country (*See Appendix B*). Last week, the Obama Administration released the first monthly servicer report on Making Home Affordable. We have attached a copy of the report and it shows a particularly slow start in loan modifications by participating servicers. The financial institutions that have received TARP funds such as Bank of America and Wells Fargo have only done 4 percent and 6 percent respectively and among the large national banks, JP Morgan Chase had the highest participation rank, modifying 20 percent of its eligible delinquent loans.. The city should actively pursue financial institutions that do business in the City and encourage their participation in the Making Home Affordable program.

### **CRN Analysis of New Unit Production: January 2009 – March 2008**

CRN's analysis of multifamily unit production in the first quarter is shown in Table 1. The Department reported assisting 3,505 units of rental housing in the first quarter of 2009. Rental Subsidy units, which are renewed annually, and Heat Receivership units, which is a program under Safety and Code Enforcement, are subtracted by CRN from the multifamily total. After these adjustments, the net year-to-date multifamily new production added to the overall City's rental housing stock amounts to 148 units.

**Table 1. Unit Production by Income- January 1, 2009 – March 31, 2009**

	PROJECTED UNITS	0-15%	16-30%	31-50%	51-60%	60-80%	81-100%	101+%	YTD TOTAL	% OF GOAL
Multi-Family*	7,365	2,094	1,072	170	60	97	12		3,505	47.59%
<i>Less Rental Subsidy Units</i>	<i>-3,410</i>	<i>-2,080</i>	<i>-1,000</i>						<i>-3,080</i>	
<i>Less Site Improvements and Heat Receivership Units</i>	<i>-277</i>	<i>-14</i>	<i>-63</i>	<i>-144</i>	<i>-45</i>	<i>-11</i>			<i>-277</i>	
Net MF New Units**	3,678	0	9	26	15	86	12	0	148	4.02%
Single Family less Multiple Benefits	182	0	1	6	7	107	29	65	215	118.13%
Improve and Preserve	243	5	49	75	22	38	26	12	227	93.42%

\*Net Multi Family units after subtracting units receiving multiple benefits

\*\*These are new Multi Family units created through DOH programs not counting units assisted by the Low-Income Housing Trust Fund which are renewed every year, Supportive Housing Rental Assistance, and Safety and Code Enforcement Programs.

### New Multifamily Developments

The Department reports no new projects approved during this quarter. But we would like an update on the status of the City's **Tax Credit Assistance/Exchange Program (TCAP/TCEP)**. Earlier this month, the Illinois Housing Development Authority received its \$ 95 million TCAP allocation and has begun reviewing projects to be awarded this much-needed gap financing. IHDA has published a list of its Round I applicants in its website (*see Appendix C*).

As of August 2009, the City of Chicago recovery website reports the following projects selected to receive funding (*see chart below*). It is our understanding that IHDA and the City will coordinate the administration of TCAP funds and we would like clarification on how the City will work with IHDA as well as the status of the selected projects. What are the eligibility criteria for the selected projects? Will there be an opportunity for other shovel-ready Chicago Tax Credit awardees to apply to the City for additional financing under TCAP?

### **City of Chicago Proposed TCAP Projects**

MLK Apartments	\$ 5,000,000
Roseland Place Senior Apartments	\$ 1,000,000
St. Edmund's Commons	\$ 3,062,007
Oakwood Shores	\$ 3,570,000
Wrightwood Senior Apartments	\$ 6,188,775
Hancock House Senior Apartments	\$ 5,000,000
Hairpin Lofts	\$ 1,400,000
Darul Amaan Senior Center	\$ 2,520,000
Bettendorf Place SRO	\$ 1,575,000
Communities United	\$ 1,684,218
Olive Branch Apartments	\$ 3,000,000
Grove Parc	\$ 5,000,000
<b>Total</b>	<b>\$ 39,000,000</b>

The American Recovery and Reinvestment Act also authorizes the **Tax Credit Exchange Program** which will provide grants in lieu of tax credits for affordable housing development. The city anticipates another \$22.5 million under this program to go towards affordable rental housing and to date, these funds have not been obligated. **What is the status of this program and which projects are slated to receive this funding?**

We maintain as we did in the last quarterly report that the City should implement a policy like IHDA's with regard to LIHTC applications, where all applicants and all approved projects are made available to the public.

### **CHA Plan for Transformation**

Since the last quarter report, the Chicago Housing Authority has approved and started the demolition of six buildings in the Harold Ickes Homes complex. Using part of the \$144 million of stimulus funds, CHA is spending over \$3 million for the demolition. We questioned back in March on whether this is the best use of economic recovery dollars without any plan for replacement. With demolition scheduled to be completed in a few months, no tangible plans for the Ickes site and for its residents have been released and we are concerned that the remaining 79 families left will once again have to be displaced in short notice.

Again, we raise the issue on the status of CHA developments especially during this recession. With the changing economy and the central role the Department has played in the Plan for Transformation, we believe that this Committee would be well-advised if CHA reports on its production.

### **Olympics**

Last month, the City took the first concrete step towards the development of the Michael Reese site, awarding demolition contracts at a cost of just over \$11 million. With only a few months until Chicago learns whether it will be the host of the 2016 Games, the legacy and impact of this massive development on Chicago communities is at the forefront of many residents and the City's leaders.

Crucial steps have been taken since the last quarterly report meeting; namely, the City has adopted a Memorandum of Understanding (MOU) which incorporates principles that ensure community benefits in the Olympics efforts. Notably, the Chicago 2016 affordable housing advisory committee has put forth in this MOU a broad vision that begins with the principle of no displacement. Among the recommendations of the committee include the application of the Citywide Land Trust and circuit breakers to safeguard against displacement of residents resulting from increases in housing cost.

While Chicago 2016 maintains that no *direct* displacement will occur as a result of Olympics-related construction, we first documented last year in our report, *Olympics and Chicago Neighborhoods*, that housing price inflation and increases in property taxes and rents would create a financial burden for residents in the immediate areas. This is especially urgent around the proposed Olympic Village where communities like Washington Park already suffer a crisis in affordability. A Woodstock Institute report

states that Washington Park had the highest foreclosure rate per 1,000 mortgageable properties last year<sup>1</sup>.

Clearly, the potential for extensive development is high. To avoid displacement safeguards need to be underway immediately and we recommend the following policies in addition to the principles set forth by the 2016 housing advisory committee:

- The City should institute a process to track the Olympic Village set-aside to ensure the affordability requirements are being met.
- Several federally-assisted housing units fall within the footprint of the Olympic sites—the city should make sure that it exercises the Affordable Housing Preservation Ordinance should the property’s affordability restriction expire.

For the concept of no displacement to work, these recommendations need to be employed before a speculative market takes hold and undermine the well-intentioned goals to create a strong legacy. While the City waits for a decision in October, the challenge for the City is to uphold the principles in the MOU right now and to account for how these principles are being met through regular progress reports to the public.

### **City Preliminary Budget**

According to the City’s 2010 budget projections released last week, the City will have a \$520 million shortfall in the corporate fund. The Budget Department reports that actual 2009 revenues are about \$143 million below the anticipated funds budgeted last Fall. As with last year, the decrease in corporate fund is primarily the result of the decline real-estate related revenue. The preliminary budget projects that the Department will have lower expenses in 2009 at \$33.5 million and the preliminary budget for 2010 will decrease at \$29.9 million.

<b>Corporate Funds Expenditures - Departments</b>	
<b>YEAR</b>	<b>DCD</b>
<b>2003</b>	\$14,268,618
<b>2004</b>	\$13,640,000
<b>2005</b>	\$15,205,000
<b>2006</b>	\$12,603,000
<b>2007</b>	\$24,300,000
<b>2008</b>	\$20,859,000
<b>Budgeted 2009</b>	\$36,793,000
<b>Estimated Year-End 2009</b>	\$33,492,000
<b>Prelim Estimate 2010</b>	\$29,983,000

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<sup>1</sup> The Woodstock Institute. *The Chicago Region’s Foreclosure Problem Continued to Grow in 2008*, (January 2009).

The Grants available for the Department of Community Development is projected to be higher in 2010. The 2009 carryover includes the Neighborhood Stabilization funds.

<b>Department of Community Dev Grants</b>	
<b>2009 Budget</b>	\$162,333,000
<b>2008 Carryover</b>	\$69,220,000
<b>Actual 2009 Grant Received</b>	\$123,785,000
<b>2010 Estimated Grant Award</b>	\$45,057,000
<b>Projected 2009 Carryover</b>	\$125,234,000
<b>Total Estimated 2010 Grants (plus 2009 Carryover)</b>	\$170,291,000

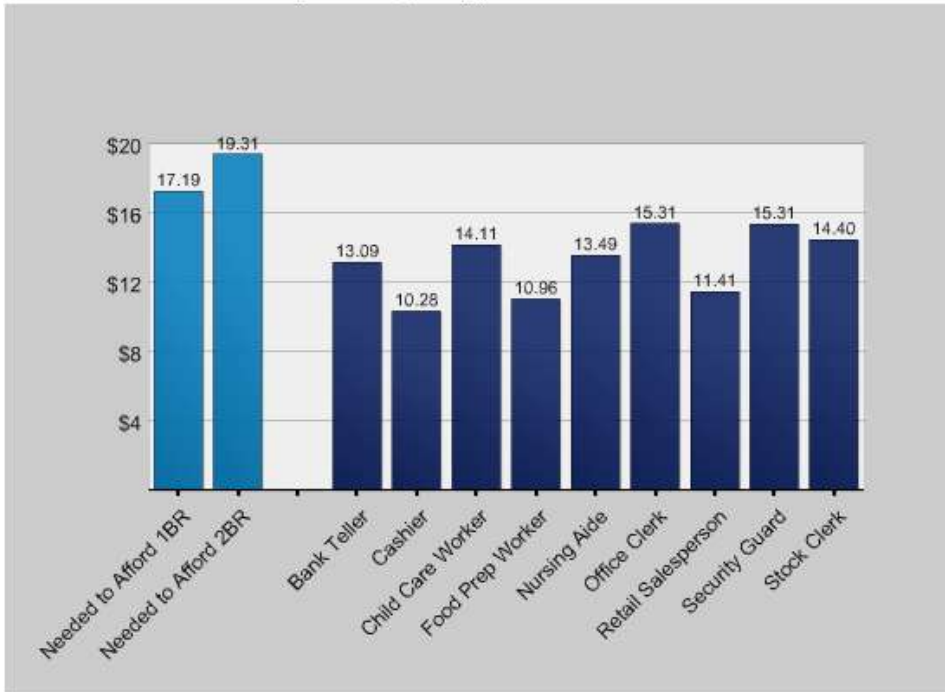
The Department's budget will also include \$80.4 million in Recovery Act funds. The Recovery Act funds from the following three programs: \$39.1 million from the Tax Credit Assistance Program, \$22.5 million from the Tax Credit Exchange Program, and \$18.8 million from the Workforce Investment Act. These are listed as carryover funds from 2009. The total preliminary budget for the Department of Community Development, including corporate funds, grants, and Recovery Act funds is approximately \$281 million.

## Income and Housing Costs

The charts below are from the latest Paycheck to Paycheck report for Chicago according to the Center for Housing Policy. It shows the Fair Market Rents for one and two bedroom units and the Median Home Price compared to the average earnings of various occupations.

### Rental Market

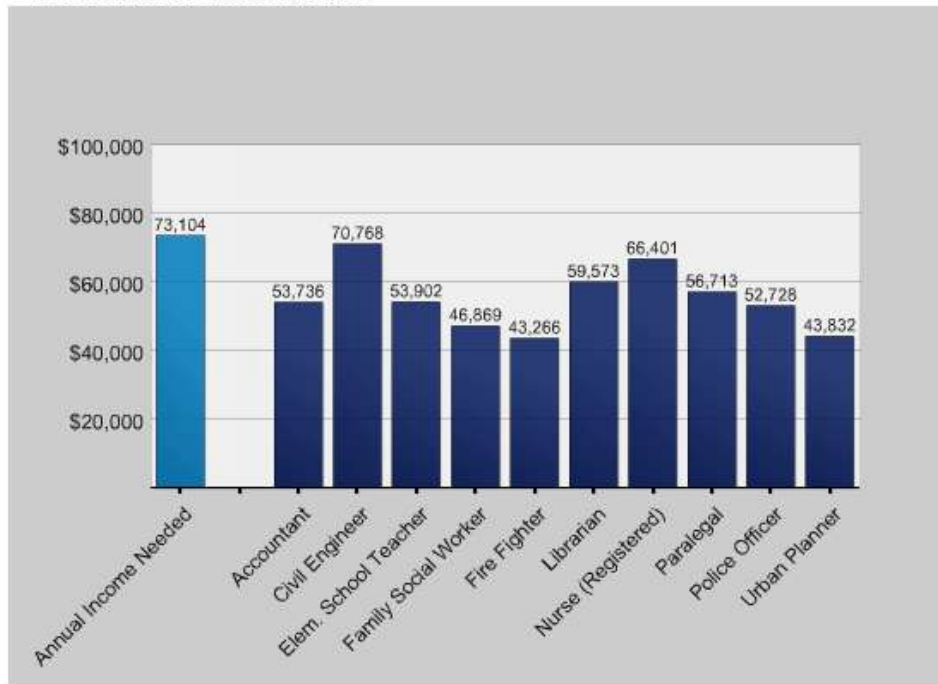
2008 Fair Market Rent: 1BR \$894/month, 2BR \$1,004/month



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### Homeownership Market

2008 Median Priced Home: \$225,000



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## APPENDIX

### A. 1Q 2009 Commitments and Unit Production Totals Reported by Department of Community Development

#### Production Overview - Dollars Committed- January 1, 2009 – March 31, 2009

	Total Projected Units	1st Quarter Commitments	2nd Quarter Commitments	3rd Quarter Commitments	4th Quarter Commitments	YTD	% of Goal
<b>Multi Family</b>	\$190,424,953	\$18,375,981				\$18,375,981	9.65%
<b>Single Family</b>	\$112,708,750	\$14,423,249				\$14,423,249	12.80%
<b>Improve and Preserve</b>	\$20,029,688	\$2,020,456				\$2,020,456	10.09%
<b>Programmatic Applications</b>	\$1,250,000	\$0				\$0	0.00%
<b>Total</b>	\$324,413,391	\$34,819,686				\$34,819,686	10.73%

	Total Projected Units	1st Quarter Units	2nd Quarter Units	3rd Quarter Units	4th Quarter Units	YTD	% of Goal
<b>Multi Family</b>	7,365	4,039				4,039	54.84%
<b>Single Family</b>	1,126	182				182	16.16%
<b>Improve and Preserve</b>	2,085	243				2,300	110.31%
<b>Total</b>	10,576	4,464				6,521	61.66%



**B. Servicers nationwide participating in Making Home Affordable, July 22, 2009**

Name	Web Site	Phone
Aurora Loan Services LLC	<a href="https://myauroraloan.com/">https://myauroraloan.com/</a>	1-800-550-0508
Bank of America, N.A.	<a href="http://www.bankofamerica.com/mha/">www.bankofamerica.com/mha/</a>	1-800-846-2222
Bayview Loan Servicing, LLC	<a href="http://www.bayviewloanservicing.com">www.bayviewloanservicing.com</a>	1-800-457-5105
CCO Mortgage	<a href="http://www.ccomortgage.com">www.ccomortgage.com</a>	1-800-234-6006
Carrington Mortgage Services, LLC	<a href="http://www.carringtonms.com">www.carringtonms.com</a>	1-888-267-2417
Chase Financial LLC	<a href="http://www.chase.com">www.chase.com</a>	1-866-550-5705
CitiMortgage, Inc.	<a href="http://www.mortgagehelp.citi.com">www.mortgagehelp.citi.com</a>	1-866-915-9417
Citizens First Wholesale Mortgage Co.	<a href="https://www.cfwmortgage.com/">https://www.cfwmortgage.com/</a>	1-800-477-1086
Countrywide Home Loans Servicing LP	<a href="http://my.countrywide.com/media/hasp.html">http://my.countrywide.com/media/hasp.html</a>	1-800-669-6607
Farmers State Bank	<a href="https://farmersstate-oh.com">https://farmersstate-oh.com</a>	1-800-350-2844
First Federal Savings and Loan	<a href="https://www.ourfirstfed.com/home/home">https://www.ourfirstfed.com/home/home</a>	1-800-800-1577
GMAC Mortgage LLC	<a href="http://www.gmacmortgage.com">www.gmacmortgage.com</a>	1-800-766-4622
Green Tree Servicing LLC	<a href="http://www.gtservicing.com">www.gtservicing.com</a>	1-800-643-0202
Home Loan Services, Inc.	<a href="http://www.viewmyloan.com">www.viewmyloan.com</a>	1-800-622-5035
IBM Southeast Employees Federal Credit Union	<a href="http://www.ibmsecu.org">www.ibmsecu.org</a>	1-800-873-5100
Lake National Bank	<a href="http://www.lakenationalbank.com">www.lakenationalbank.com</a>	1-440-205-8100
MorEquity, Inc.	<a href="http://www.morequity.com">www.morequity.com</a>	1-800-628-9324
National City Bank	<a href="http://www.nationalcitymortgage.com">www.nationalcitymortgage.com</a>	1-800-523-8654
Nationstar Mortgage LLC	<a href="http://www.nationstarmtg.com">www.nationstarmtg.com</a>	1-888-850-9398
Ocwen Financial Corporation, Inc.	<a href="http://www.ocwen.com">www.ocwen.com</a>	1-800-746-2936
PNC Bank, National Association	<a href="http://www.pnc.com">www.pnc.com</a>	1-888-762-2265
RG Mortgage Corporation	<a href="http://www.rgmortgage.com/mortgage">www.rgmortgage.com/mortgage</a>	1-888-264-4674
Residential Credit Solutions	<a href="https://www.residentialcredit.com/default.aspx">https://www.residentialcredit.com/default.aspx</a>	1-800-737-1192
Saxon Mortgage Services	<a href="http://www.saxononline.com">www.saxononline.com</a>	1-800-594-8422
Select Portfolio Servicing	<a href="http://www.spservicing.com">www.spservicing.com</a>	1-888-818-6032
ShoreBank	<a href="http://www.sbk.com">www.sbk.com</a>	1-800-905-7725
Technology Credit Union	<a href="http://www.techcu.com">www.techcu.com</a>	1-800-553-0880
Wachovia Mortgage, FSB	<a href="http://www.wachovia.com">www.wachovia.com</a>	1-800-922-4684
Wells Fargo Bank, NA	<a href="http://www.wellsfargo.com/homeassist">www.wellsfargo.com/homeassist</a>	1-800-678-7986
Wescom Central Credit Union	<a href="http://www.wescom.org">www.wescom.org</a>	1-888-493-7266
Wilshire Credit Corporation	<a href="https://www.wcc.ml.com">https://www.wcc.ml.com</a>	1-888-502-0100

\*This list is updated as needed and can be found at the [http://makinghomeaffordable.gov/contact\\_servicer.html](http://makinghomeaffordable.gov/contact_servicer.html)

### C. IHDA Round I Tax Credit Assistance Program Applicants

<b>2009 Equity Replacement Program Applications Received Round I</b>						
PID	Project Name	City	Units	Population Served		Owner
2935	Bella Vista Apartments - Family	Waterloo	44	Family		Bella Partners, L.P.
2933	Bella Vista Apartments (Senior)	Waterloo	32	Elderly		Bella Partners, L.P.
2964	Carbondale Neighbors	Carbondale	20	Family		Carbondale Neighbors, L.P.
10029	Colonial Park Apartments	Park City	240	Family		Park City-LCRDC, LP
2626	Douglas County Apartments	Tuscola & Atwood	35	Family		Douglas County Partners L.P.
2944	Hancock House	Chicago	89	Elderly		Hancock House LP
2946	Hometown Harbor East Moline	East Moline	82	Elderly		Hometown Harbor East Moline Limited Partnership
2616	Jerseyville Estates SLF	Jerseyville	50	Elderly		The Manor at Jerseyville Glen, L.P.
2857	Knollwood Retirement Center St. Clair	Caseyville	97	Elderly		St. Clair Supportive Living LP
2627	Maple Ridge Apartments	Paris	50	Family		Maple Ridge Affordable Housing Limited Partnership
2457	Maywood Supportive Care	Maywood	137	Elderly	Sp. Needs	Maywood Supportive Care I, L.P.
2889	Moline Enterprise Live-Work Lofts	Moline	69	Family		Moline Enterprise Live-Work Lofts, LLC
2861	Ridge Estates of Charleston	Charleston	50	Family		Ridge Estates of Charleston Limited Partnership
2778	River to River of Marion Supportive Living	Marion	50	Elderly		Marion Supportive Living, L.P.
2934	Riverside Apartments	Peoria	30	Sp. Needs		1304 Adams Limited Partnership
2703	Rock Island Special Needs	Rock Island	70	Family	Sp. Needs	Express Housing 1, L.P.
2729	Rosa Parks Apartments	Chicago	94	Family		Rosa Parks Limited Partnership c/o Bickerdike
2873	Sandstone Hills	Hopkins Park	29	Family		Sandstone Hills, L.P.
2697	Shelbyville Homes	Shelbyville	30	Family	Other	Shelbyville Homes, L.P.
2942	Sinai Village	East St. Louis	30	Family		Sinai Village, L.P.
2866	St. James Senior Estates II	Crete	45	Elderly		Crete Senior Housing, LLC
2945	The Berkshires	Taylorville	24	Family		Berkshires L.P.
2731	The Glen at Belvidere	Belvidere	120	Elderly		Ashburton Grove, LLC
2868	The Villas of Carbondale	Carbondale	50	Elderly		The Villas of Carbondale, Limited Partnership
2887	Twenty First Homes	Granite City	20	Family		Twenty First Homes, LP
2874	Victory Centre of South Chicago SA	Chicago	72	Elderly		South Chicago SA Associates, L.P.
10014	Whispering Oaks Apartments	Waukegan	405	Family		Whispering Oaks Associates, L.P.
2791	Willow Heights Apartments	Decatur	64	Elderly		Willow Heights Apartment Associates Limited Partnership
2860	Wilmington Senior Housing Phase II	Wilmington	42	Elderly		Wilmington Senior Housing L.P. II
2613	Woodstock Commons Phase II	Woodstock	107	Family		Castle Road, Limited Partnership
2639	Zurich Meadows	Lake Zurich	95	Elderly		Carefree Dey, LLC

# 2016 Olympics and Chicago Neighborhoods

The International Olympic Committee has shortlisted Chicago as a 2016 Olympic host city. The Windy City will now compete with Madrid, Tokyo, and Rio De Janeiro for the IOC's final selection in October of 2009. With final bids due by this October, City government, the 2016 bid committee, and private developers are far along in their preparations to host the Olympics. The Applicant File gives a partial look at the bid, but the full picture will not emerge until the "bid book" is released this October. Here is a sample of current public and private activities in the Chicago bid process, as well as a look at other cities' hosting experiences, concluding with the Chicago Rehab Network's preliminary recommendations.

## Public and Private Financing

- Tax Increment Financing (TIF) districts in areas where the largest Olympic facilities will be built are capturing considerable tax revenue for City-designated development.
- Chicago 2016 has raised over \$40 million in private dollars to support the bid, and the City of Chicago has pledged \$500 million in insurance and its full financial liability and legislative support to secure investment in the Games.



An artist's rendering of the Olympic Stadium (the centerpiece of the Games) in Washington Park., which has created a local Olympic advisory council.

## Housing and Land

- The City will acquire and seek to redevelop Michael Reese Hospital and a number of other properties in association with the development of the Olympic Village and the Bronzeville TIF district. Saying that the Olympic Village will be developed regardless of the outcome of the 2016 bid, the development could set aside only the mandatory 10% of the roughly 6,000 units as affordable. If TIF dollars were used, that percentage would grow to 20%. Residents in San Francisco recently approved a mandate 32% affordable units in a large-scale housing development there.
- Plans to redevelop Lake Meadows—a moderate income residential community just south of the Olympic Village site—will triple the population of that development and "price out" many current residents. Further planned development to the south would dramatically alter the South Lakefront in anticipation for the Games.



The Lake Meadows redevelopment area, adjacent to the proposed Olympic Village site.

- Siting permanent and temporary venues in public areas from the south lakefront to Lake County has at times drawn opposition, support, and concern from local residents and advocates due to the potential impacts to public land, natural areas and long-term affordability.

## Other Olympics

- In London, the host of the 2012 Summer Games, costs on some venues tripled from their original estimate. The London Games' total cost, which, unlike Chicago's bid, includes a massive neighborhood revitalization program, is estimated at \$19 billion.
- Barcelona's Games, which many saw as a success, spurred a 240% increase in new home prices in the six years leading up to the Games. Such an event would put ownership out of reach for many Chicago residents.
- Atlanta, the most recent American host of the Summer Games, witnessed the loss of public housing and affordable units, an estimated 30,000 people displaced, and the violation of the rights of homeless at the hands of the city's police.

This data from the Centre on Housing Rights and Evictions (COHRE)—an international authority on Olympics and other "mega-events"—shows that, even without the massive displacement seen elsewhere, there exists a potential for negative impact to affordability for any host.

**The Chicago Rehab Network's**  
**—Best Practices for Neighborhoods and the 2016 Olympics—**

Above all, these recommendations come out of CRN's understanding that safe, decent, affordable housing is a foundational value for a healthy urban environment. In the interest of strengthening Chicago's foundation, we present these recommendations.

**Establish a variety of mechanisms to promote and preserve long-term affordability**

—The Applicant File promises to *seek a city council ordinance to control prices of hotels and other services to make the Games affordable for visitors*. While understanding the distinction and legal precedent that favors controls on consumer prices over those on rents, the Olympics pose a serious enough threat to affordability that they merit a change in precedent. CRN supports an ordinance establishing rent controls in areas hosting the Games in accordance with the findings of the impact study, extending the same attention to affordability to residents as is already committed to visitors.

**Conduct a Housing Impact Study**—Understanding the latest census data that shows a decrease of rental households and growing housing cost burdens that affect more than 40% of both renters and owners citywide, CRN advocates a housing impact study that would mandate strategies that minimize displacement and preserve affordability across the city. The Chicago 2016 Applicant File describes Chicago's infrastructure as a tailor-made host for the Olympic Games. The Chicago Urban League has conducted a study on the potential effect of the Olympics on Chicago's economy. Still, there has yet to be concrete study of how the Games will affect Chicago's housing environment. Such a study would specifically address affordability opportunities for different income levels and different impacted communities.

**Create a Social Impact Advisory Committee**—Sydney's 2000 Games conducted a Preliminary Social Impact assessment that created 37 recommendations to ensure the Olympics had a benign impact on the community's most vulnerable citizens before, during and after the event. Eventually, Sydney created a Social Impact Advisory Committee (SIAC) and a Homelessness Protocol of government members as well as advocates to implement these recommendations. SIAC made recommendations to the Games organizing group, and issued periodic report cards for the Games' social impacts. CRN recommends a similar organization in Chicago to exist independently of the bid committee.

**Research Community Benefits Agreement**—Community Benefits Agreements (CBA) have been a way for neighborhoods to share in the economic prosperity of private development where they live. Potential CBAs would include provision for more affordable units in the Olympic Village after the Games targeting of jobs, use of land trusts, resource benefits for housing linked to Olympic generated revenues, and detail strategies and resources for inclusive local growth. Any CBAs would need to be grounded in the city legislative process for maximum accountability.

The bottom line for the Games' impact on Chicago and the housing environment in general is that all levels of stakeholders and decision makers consider neighborhoods as more than just places on a map. While rising rents, new construction, and escalating home prices have been touted as indicators of revitalization for neighborhoods, the same factors have prevented people from keeping their homes and harmed social, political, and economic networks for residents that stayed and then had to leave. Chicago must consider neighborhoods as people and place bound together, and we must not let the Olympics or any other event that promises to put Chicago on the world map do so without first making sure that it will benefit Chicagoans and their neighborhoods. In fact, we believe that getting the bid right on housing and neighborhoods will result in a stronger endorsement both for Chicago residents and for the Chicago Olympic bid.

*Sources: Chicago Department of Planning and Development Website, BBC news services, Chicago Urban League, Chicago Rehab Network 2007 Housing Factsheet, Centre on Housing Rights and Evictions, Chicago Tribune, Chicago Sun-Times, Online Opinion: Australia's e-journal of Social and Political Debate.*

## Olympic Bid Timeline

2008	<b>January 2008</b> —Initial bid (Applicant File) submitted to the IOC
	<b>June 2008</b> —The IOC short-listed four host cities: Madrid, Tokyo, Chicago, and Rio De Janeiro. Each pay \$500,000 candidature fee to continue. Chicago ranks third.
	<b>August 2008</b> —Olympics Games Observer Programme, Beijing
	<b>October 2008</b> —Final Bid Book, which includes full financial details, due.
2009	
	<b>February 2009</b> —Final Application due to the IOC
	<b>May/June 2009</b> —IOC committee visits short-listed host candidates for evaluation
	<b>September 2009</b> —Report on candidates by IOC Evaluation Committee
	<b>October 2009</b> —IOC announces winner of 2016 bid
2010	

For more information, please contact us:

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# Making Home Affordable Program

Servicer Performance Report through July 2009

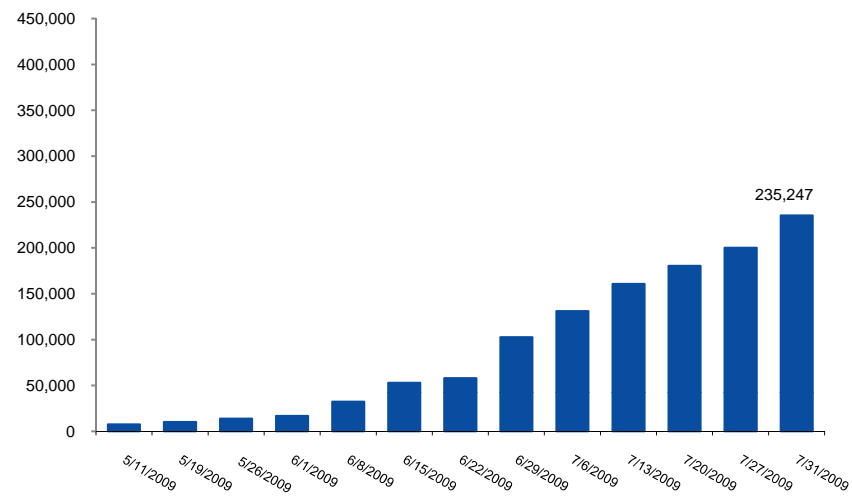
## Home Affordable Modification Program (HAMP) Snapshot through July 2009<sup>1</sup>

Number of Trial Modifications Started <sup>2</sup> (Cumulative)	235,247
Number of Trial Period Plan Offers Extended to Borrowers (Cumulative)	406,542
Number of Requests for Financial Information Sent to Borrowers (Cumulative)	1,387,218

<sup>1</sup>Source: Survey data provided by servicers.

<sup>2</sup>Trial modifications start when the first trial payment is received.

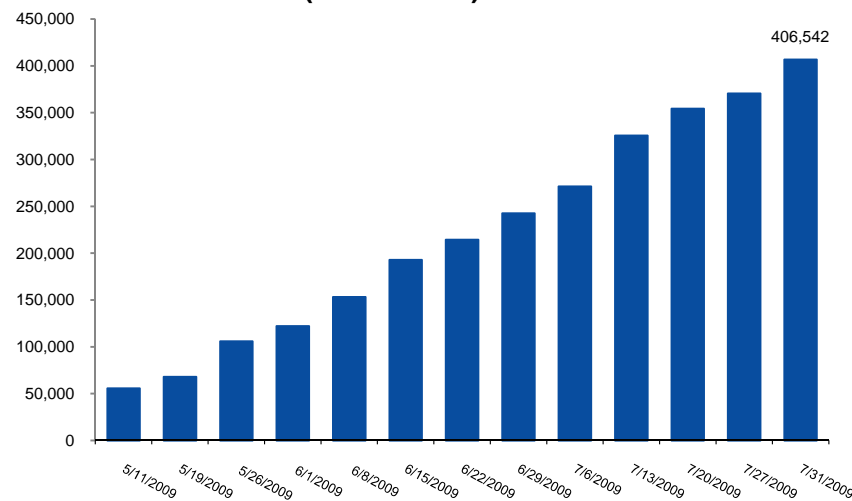
## HAMP Trial Modifications Started (Cumulative)



## HAMP Participating Servicers

- Approximately 85% of mortgages are covered by HAMP participating servicers.
- 38 servicers have signed servicer participation agreements to modify loans under HAMP. These participants service loans owned or guaranteed by Fannie Mae or Freddie Mac, loans held in portfolio, or loans serviced on behalf of other investors.
- Approximately 2,300 participants service loans owned or guaranteed by Fannie Mae or Freddie Mac. These servicers automatically participate in HAMP.

## HAMP Trial Plans Extended to Borrowers (Cumulative)



Additional information on HAMP can be found on [MakingHomeAffordable.gov](http://MakingHomeAffordable.gov) or call the Homeowner's HOPE Hotline at 1-888-995-HOPE (4673).



# Making Home Affordable Program

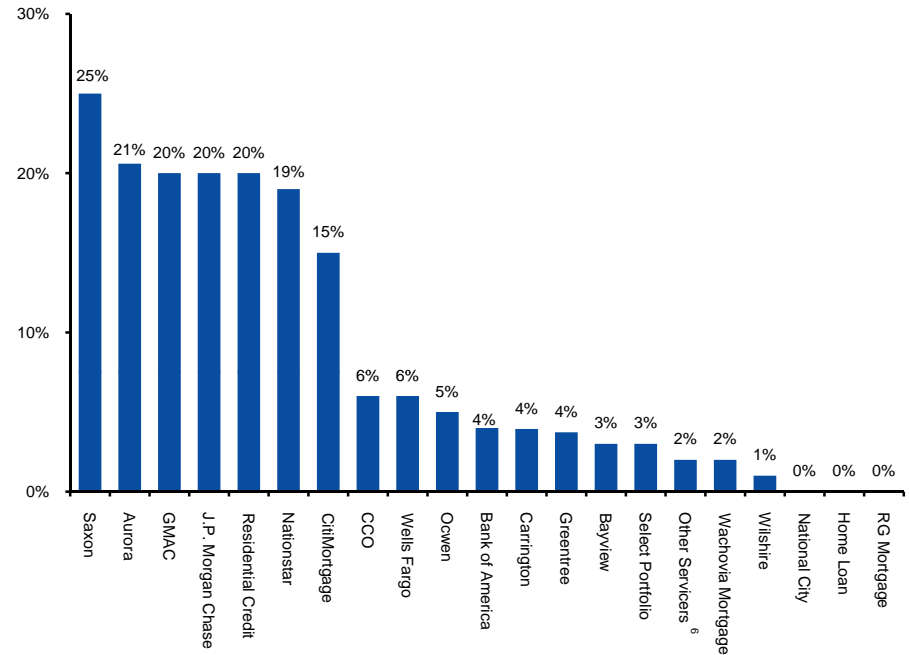
Servicer Performance Report through July 2009

## HAMP Modification Activity by Servicer

Servicer	Participation Date	Estimated Eligible 60+ Day Delinquency <sup>1</sup>	Trial Plan Offers Extended	Trial Plan Offers as Share of Estimated Eligible 60+ Day Delinquencies	Trial Modifications Started	Trial Modifications as Share of Estimated Eligible 60+ Day Delinquencies
American Home Mortgage Servicing Inc <sup>5</sup>	7/22/2009	153,097	NA	NA	NA	NA
Aurora Loan Services, LLC	5/1/2009	72,838	25,965	36%	15,320	21%
Bank of America, NA <sup>2</sup>	4/17/2009	796,467	99,649	13%	27,985	4%
Bayview Loan Servicing, LLC	7/1/2009	4,425	225	5%	148	3%
Carrington Mortgage Services, LLC	4/27/2009	14,128	988	7%	597	4%
CCO Mortgage	6/17/2009	3,818	402	11%	237	6%
J.P. Morgan Chase Bank, NA <sup>3</sup>	4/13/2009	394,075	117,259	30%	79,304	20%
CitiMortgage, Inc.	4/13/2009	185,418	38,673	21%	27,571	15%
Citizens First Wholesale Mortgage Company	6/26/2009	26	8	31%	7	27%
Farmers State Bank	7/17/2009	8	NA	NA	NA	NA
First Bank <sup>5</sup>	7/29/2009	848	NA	NA	NA	NA
First Federal Savings and Loan	6/19/2009	16	1	6%	1	6%
GMAC Mortgage, Inc.	4/13/2009	61,326	20,924	34%	12,540	20%
Green Tree Servicing LLC	4/24/2009	5,228	451	9%	209	4%
Home Loan Services, Inc.	4/20/2009	33,193	0	0%	0	0%
IBM Southeast Employees' Federal Credit Union	7/10/2009	72	4	6%	4	6%
Lake National Bank	7/10/2009	1	0	0%	1	100%
Mission Federal Credit Union	7/22/2009	34	NA	NA	NA	NA
MorEquity, Inc.	7/17/2009	2,196	NA	NA	NA	NA
Mortgage Center, LLC	7/22/2009	235	NA	NA	NA	NA
National City Bank	6/26/2009	37,126	92	0%	4	0%
Nationstar Mortgage LLC	5/28/2009	25,690	11,443	45%	4,854	19%
Ocwen Financial Corporation, Inc.	4/16/2009	55,516	6,502	12%	2,517	5%
PNC Bank, National Association	7/17/2009	724	NA	NA	NA	NA
Purdue Employees Federal Credit Union <sup>5</sup>	7/29/2009	11	NA	NA	NA	NA
Residential Credit Solutions	6/12/2009	1,304	301	23%	265	20%
RG Mortgage Corporation	6/17/2009	3,309	72	2%	0	0%
Saxon Mortgage Services, Inc.	4/13/2009	84,130	30,817	37%	21,130	25%
Select Portfolio Servicing	4/13/2009	57,450	11,404	20%	1,849	3%
Shore Bank <sup>5</sup>	7/17/2009	223	NA	NA	NA	NA
Technology Credit Union	6/26/2009	10	0	0%	0	0%
Wachovia Mortgage, FSB	7/1/2009	62,852	2,028	3%	1,356	2%
Wachovia Bank, NA	7/29/2009	2,593	NA	NA	NA	NA
Wells Fargo Bank, NA	4/13/2009	329,085	38,673	12%	20,219	6%
Wescom Central Credit Union	6/19/2009	136	40	29%	38	28%
Wilshire Credit Corporation	4/20/2009	3,411	621	18%	20	1%
Other GSE Servicers <sup>4</sup>		314,283	-	-	19,071	6%
<b>Total</b>		<b>2,705,302</b>	<b>406,542</b>	<b>15%</b>	<b>235,247</b>	<b>9%</b>

Note: NA denotes a newly signed servicer that has not yet started reporting

## Trial Modification Tracker: Trial Modification Starts as a Share of Estimated Eligible 60 Plus Day Delinquencies



<sup>1</sup>Estimated eligible sixty plus day delinquent loans include loans:

- in foreclosure and bankruptcy.
- with a current unpaid principal balance less than \$729,750 on a one unit property, \$934,200 on a two unit property, \$1,129,250 on a three unit property and \$1,403,400 on a four unit property.
- on a property owner-occupied at origination.
- originated prior to January 1, 2009.

Estimated eligible sixty plus day delinquent loans excludes:

- FHA and VA loans.
- loans that are current or less than 60 days delinquent, which may be eligible for HAMP if a borrower is in imminent default.

<sup>2</sup> Bank of America, NA includes Countrywide Home Loans Servicing LP.

<sup>3</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>4</sup> Includes approximately 2,300 participants that service loans owned or guaranteed by Fannie Mae and Freddie Mac.

<sup>5</sup> Estimated Eligible 60+ Day delinquencies based on the servicer registration form.

<sup>6</sup> Other Servicers include entities with less than 1,000 Estimated Eligible 60+ Day Delinquencies.