











**We recommend that the balance of these funds—a total of \$33,092,250—be reallocated towards those community-based organizations partnering with the city to provide essential services to Chicagoans.** Delegate agencies have experienced extremely high demand from community residents especially during this economic recession. We believe that these unallocated funds will help these community agencies to continue providing critical services for the neediest and prevent further deterioration of the community fabric.

It has been proposed in budget discussions that the Department of Zoning is reorganized under the Department of Community Development as a cost-saving measure. **We would support a proposed reorganization of the Department of Community Development to include the Zoning Department as away to prioritize affordable housing in the City’s planning, land use and development policies.** A favorable result of this consolidation is better coordination of all neighborhood development across all pertinent city functions. In addition, Zoning has provided critical tools to leverage the creation of affordable housing in the private market through programs like the Downtown Density Bonus and Affordable Requirements Ordinance.

## **Comments on the Condo Conversion Task Force Report**

It was in our CRN 2008 Platform that we called on the City to deal with loss of rental housing due to condo conversions. Our recommendation was as follows:

“Invoke a moratorium on condo conversions until an effective tracking policy can be developed to analyze and effectively mitigate what the loss of the rental unit(s) will mean to the local community. The U.S. Housing Market Conditions report published in November 2007 found that 16,000 rental units have been lost to conversion in the last 3 years in Chicago. A policy that continues to avoid regulating this development will result in further loss of family rental housing in Chicago.”

*Source: [http://www.chicagorehab.org/resources/docs/2008\\_policy\\_platform.pdf](http://www.chicagorehab.org/resources/docs/2008_policy_platform.pdf)*

The recently released Condominium Conversion Task Force Report made four recommendations which will be valuable in supporting the rights of displaced tenants and the rights of the purchasers. These are post-conversion solutions.

Since 2007, Chicago has seen 8,207 condominium units complete the foreclosure process with the greatest number occurring in the 2<sup>nd</sup>, 20<sup>th</sup>, 49<sup>th</sup> and 50<sup>th</sup> wards. The vast majority of these are conversions from rental properties resulting in displacement of tenants.

The report does not address policies which weigh the cost and benefits in the actual conversion itself. While a moratorium may be politically infeasible, there are municipal precedents for processes that can be put in place pre-conversion. The Zoning process, for instance, requires public review and aldermanic review, which weighs community benefits on zoning changes and provides a minimum threshold of transparency and accountability. These same minimum thresholds should be established to ensure that the private gain of conversion does not overshadow the community need for rental housing.

## **Weatherization Assistance**

With the arrival of the colder months, we would like to remind all about weatherization grants available for multifamily buildings. Owners with low income renters can access these funds to make energy-related building improvements which will improve operating costs and benefit the overall community. Aldermen can refer interested owners to CEDA at 1-800-571-CEDA.

**APPENDIX**

**Table 1. Commitments and Unit Production Totals Reported by Department of Community Development – 2<sup>nd</sup> Quarter 2010**

	Total Projected Units	1st Quarter Commitments	2nd Quarter Commitments	YTD	% of Goal
<b>Multi Family</b>	\$306,288,301	\$116,998,262	\$138,377,257	\$255,375,519	83.38%
<b>Single Family</b>	\$81,204,190	\$6,709,613	\$8,942,345	\$15,651,958	19.27%
<b>Improve and Preserve</b>	\$19,210,688	\$3,334,614	\$4,785,303	\$8,119,917	42.27%
<b>Programmatic Applications</b>	\$1,250,000	\$0	\$0	\$0	0.00%
<b>Total</b>	\$407,953,179	\$127,042,489	\$152,104,905	\$279,147,394	68.43%

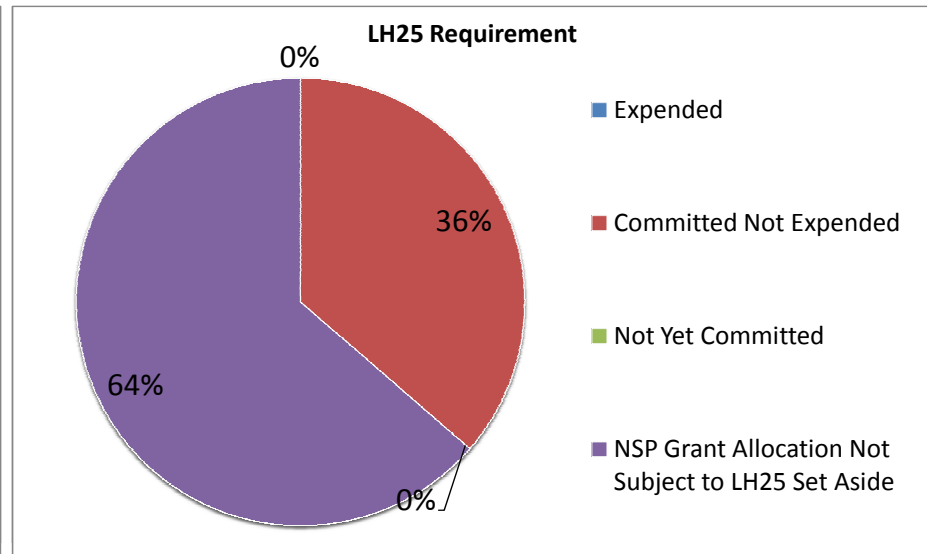
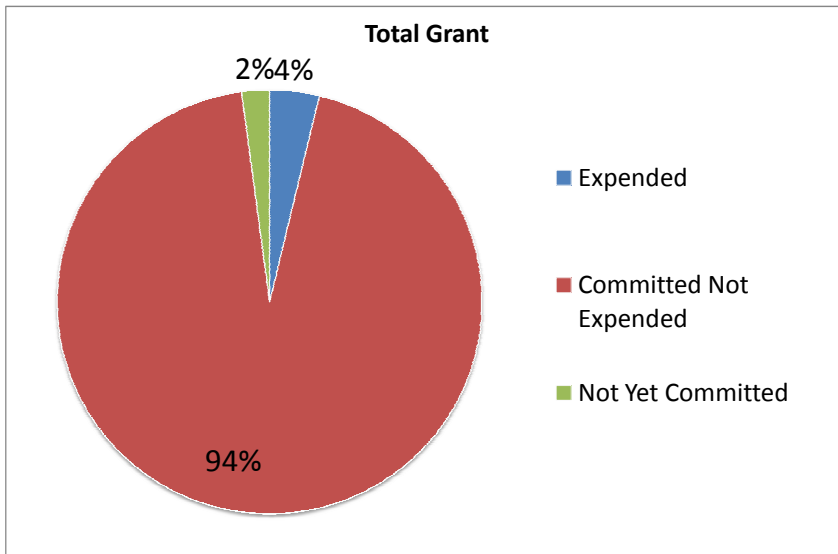
	Total Projected Units	1st Quarter Units	2nd Quarter Units	YTD	% of Goal
<b>Multi Family</b>	6,387	3,748	1,005	4,753	74.42%
<b>Single Family</b>	1,186	171	233	404	34.06%
<b>Improve and Preserve</b>	1,950	246	704	950	48.72%
<b>Total</b>	9,523	4,165	1,942	6,107	64.13%





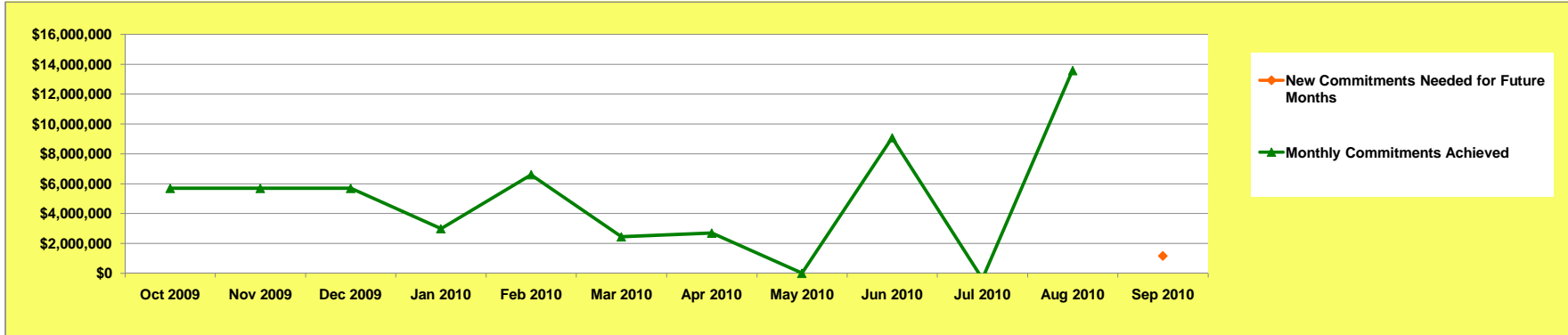
Grant Number	HUD Region		HUD Field Office
B-08-MN-17-0002	V		Chicago
<b>Total NSP Funding:</b>	<b>\$55,238,017</b>		
<b>Commitments in August:</b>	<b>\$13,578,378</b>		
<b>Total Commitments:</b>	<b>\$54,073,786 (97.9%)</b>	<b>\$1,164,231 more must be committed in September 2010 (1)</b>	
<b>LH25 Commitments in August:</b>	<b>\$1,864,368</b>		
<b>Total Commitments to LH25:</b>	<b>\$20,100,704 (36.4%)</b>	<b>\$0 more must be committed to LH25 in September 2010 (2)</b>	
<b>Expenditures in August:</b>	<b>\$0</b>	<b>\$1,714,988 average monthly expenditures needed September 2010 - March 2013</b>	
<b>Total Expenditures:</b>	<b>\$2,073,400 (3.8%)</b>	<b>\$53,164,617 more must be expended by grant end date in March 2013</b>	
<b>Total Program Income:</b>	<b>\$0</b>		

(1) The statutory deadline to commit funds is 18 months after award date. The regulatory deadline to expend funds is 4 years after award date.  
 (2) A minimum of 25% of each NSP-1 grant must benefit Low Income households (LH25) at or below 50% of area median income.

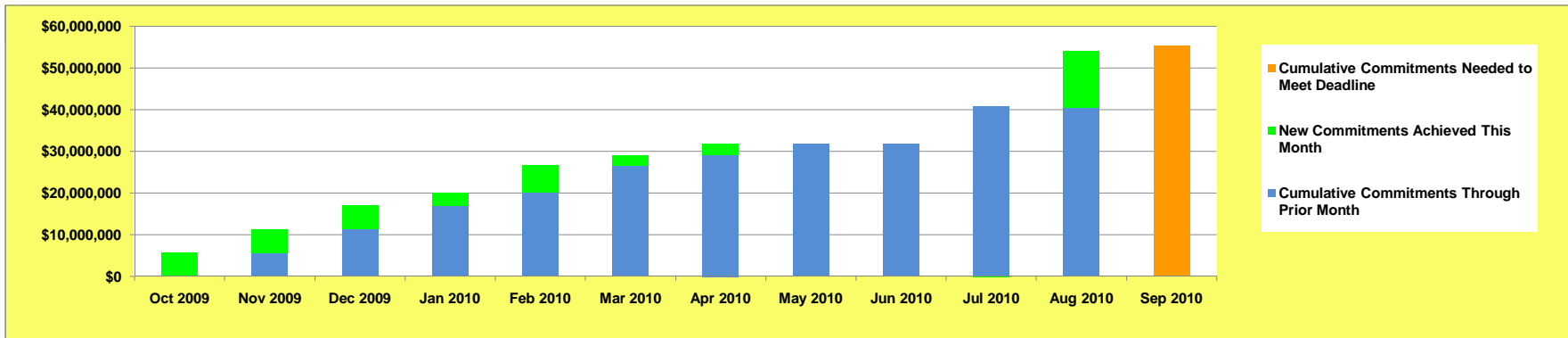




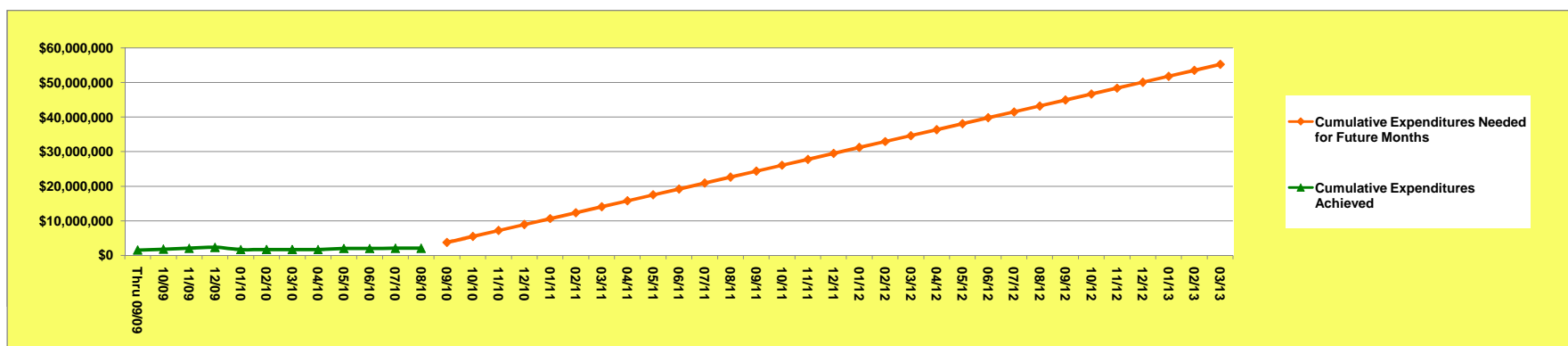
Chicago, IL Commitments Trend (Monthly Commitments)



Chicago, IL Commitments Versus Total Grant Amount



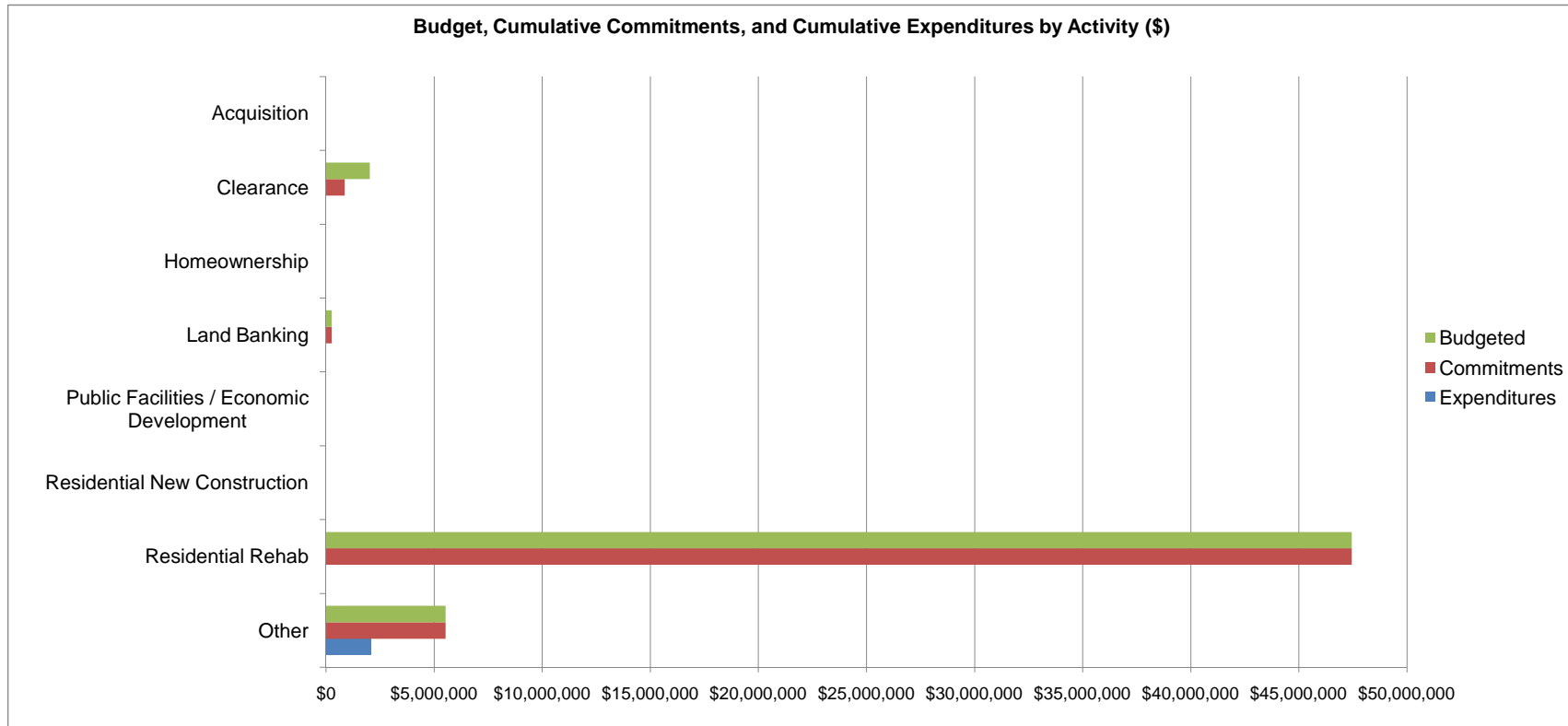
Chicago, IL Expenditures Trend (Cumulative Expenditures)





**Budget, Commitments, and Expenditures by Activity Type for Chicago, IL (Cumulative Through 08-31-10)**

	Budgeted \$	Budgeted % of Total	Commitments \$	Commitments % of Total	Expenditures \$	Expenditures % of Total
Acquisition	\$0	0%	\$0	0%	\$0	0%
Clearance	\$2,021,000	4%	\$856,769	2%	\$0	0%
Homeownership	\$0	0%	\$0	0%	\$0	0%
Land Banking	\$257,542	0%	\$257,542	0%	\$0	0%
Public Facilities / Economic Development	\$0	0%	\$0	0%	\$0	0%
Residential New Construction	\$0	0%	\$0	0%	\$0	0%
Residential Rehab	\$47,435,673	86%	\$47,435,673	88%	\$0	0%
Other	\$5,523,802	10%	\$5,523,802	10%	\$2,073,400	100%
<b>Total</b>	<b>\$55,238,017</b>	<b>100%</b>	<b>\$54,073,786</b>	<b>100%</b>	<b>\$2,073,400</b>	<b>100%</b>





## Chicago, IL NSP-1 Unit and Beneficiary Goals and Achievements

NSP-1 ACTIVITY TYPE	Units Goal	Units Achieved	Beneficiary Goal	Beneficiaries Served
Acquisition	0	0	0	0
Clearance	100	0	0	0
Homeownership	0	0	0	0
Land Banking	5	0	0	0
Public Facilities / Economic Development	0	0	0	0
Residential New Construction	0	0	0	0
Residential Rehab	665	502	250	167
Other	0	0	0	0
<b>Total</b>	<b>770</b>	<b>502</b>	<b>250</b>	<b>167</b>

## Chicago, IL NSP-1 Program and Beneficiary Characteristics

BENEFICIARY INCOME RANGE:	Projected Measures	Actual Measures
Below 50% AMI	82.0%	100.0%
50% AMI to 80% AMI	11.6%	0.0%
80% AMI to 120% AMI	6.4%	0.0%

## Summary of NSP-1 Reporting Measures and Performance Ratio for Chicago, IL (Cumulative through 08-31-10)

	(A) Projected Measures	(B) Actual Measures	(C) Percentage (B ÷ A)	(D) % of Grant Expended	(E) Performance Ratio (C ÷ D)
Number of homes / properties	770	502	65.2%		
Number of holds / persons served	250	167	66.8%		
<b>Performance for Grantee:</b>			<b>66.00%</b>	<b>3.75%</b>	<b>17.58</b>
<b>National Average:</b>			<b>38.99%</b>	<b>38.96%</b>	<b>1.00</b>
<b>Above / Below National Average:</b>			<b>Above</b>	<b>Below</b>	<b>Above</b>

(A) is the sum of all unit-denominated measures selected by the grantee (for example, "number of foreclosed homes acquired")

(B) is the sum of all beneficiary-denominated measures selected by the grantee (for example, "number of units rented to beneficiaries")

If the Performance Ratio (E) is 1.00, that indicates that the grantee's achievement of performance measures is in balance with the grantee's expenditure of funds. A ratio above 1.00 indicates better performance (relatively more performance measures achieved in relation to funds expended). A ratio below 1.00 indicates relatively poorer performance.