



ARO Comments to Chicago City Council, December 11, 2019

We are advocates for policies and programs that meet the need for quality, affordable housing as it is the foundation by which people succeed and communities thrive. We have been leaders in creating new resources at the city, state, and federal levels including the National Housing Trust Fund, CLIHTF, and the State Donations Tax Credit to name a few. As CDCs developed starting in 1967 to address blight, and disinvestment until today in 2019—we now have a toolbox of strategies to address housing shortages and challenges.

Our inclusionary zoning efforts began in the 1980s with efforts thinking about how to link benefits from commercial growth downtown to neighborhoods. In 1999 we began our research with BPI and the Leadership Council and CRN leadership to research ways to draw resources for affordable housing during booming high-end market development. Of course we were drawn to other benefits which would include expanding opportunity and perhaps increasing live near work options.

Inclusionary zoning laws are not production programs and neither is the original, amended, current, or proposed Affordable Requirements Ordinance changes.

In Chicago as in many cities around the country, the key production program is through the federal low income housing tax credit. Here we produce about 1800 new affordable apartments per year, which is woefully insufficient. We would challenge projections that show 1000s of units to be produced by the ARO. There are strategies that can be employed to increase the City's production significantly outside of inclusionary zoning policy. Likewise, we should can improve integration and fair housing efforts outside of the ARO.

We will submit formal comments to the ARO Task Force and the City Council as to our recommendations for improving the ARO. To preview, we have a value based policy framework that drives our views.

We ask that the Task Force examine the program complexity and whether benefits result from that; explore other program configurations which might result in significantly increased affordable housing units, including higher in-lieu-of fees and fully fees paid option; analyze the costs/benefits from the tiered market requirements which should be based equally on demand as supply; and review the genesis of the Neighborhood Opportunity Fund which essentially has taken the millions generated from the affordable housing density bonus that we fought so hard for. An impact analysis would include examples to illustrate outcomes clearly to ensure that policies aren't negatively impacting certain geographies. Finally, a historical review of housing policies will find that many well-intentioned efforts have been biased by racial prejudice and also purposely harmful to communities of color. We all must guard against using policies which block communities from benefiting from affordable housing.