



The Chicago Rehab Network is a multi-cultural, multi-racial coalition of community-based organizations which revitalize neighborhoods primarily through the development and rehabilitation of housing for low-income community residents. CRN and its members are dedicated to empowering communities without displacement and to building a strong affordable and accessible housing development movement in Chicago, throughout Illinois, and across the nation. CRN strives to meet the needs and promote the common goals of its members which foster socially and economically viable communities.

Public Comment on 2020 Proposed City of Chicago Housing Budget November 7, 2019 City Council Chambers

The future of Chicago's neighborhoods—as well as their stability for their residents—will be shaped by the affordable housing policies and practices of today. 2019 has brought in an encouraging wave of new leadership of elected and appointed officials with roots in the community development field. However, this isn't entirely new: many of Chicago's tenured aldermen and City officials have similarly built their careers on foundations of community development and activism. What *is* new are the contours of the problem, with the housing challenges we face now being perhaps the most daunting we've seen in a generation.

In the early 1990s it was this body of aldermen and women that led and passed the Affordable Housing and Community Jobs Ordinance, which established the Five Year Affordable Housing Plan that is now one year in to its sixth iteration, *One Chicago 2019-2023 Housing Plan: Housing Strategies for a Thriving City*. It was City Council that passed the inclusionary housing strategy in the 2000s known as the ARO that has been a significant attribute for the city's housing policies and resources; this was reportedly the model for the Neighborhood Opportunity Bonus that was passed in 2016 when the previous mayor moved badly needed housing dollars into badly needed neighborhood development. The recently announced \$250 million "Invest South/West" project on the South and West sides build on this program, but we would be remiss not to encourage additional investments to a Department of Housing whose funding is still woefully inadequate. According to the Bureau of Labor Statistics, the metro area has over 780,000 individuals presently employed in jobs that do not provide a sufficient wage to afford a two-bedroom home at fair market rent. Meanwhile, the affordable unit shortage remains high.

New leadership and new ideas hold promise for the future if there is truly opportunity for all—and that starts with affordable housing in all communities supported not only through policies but also through dedicated resources. As increasing numbers of African-American Chicagoans leave the city and as gentrification threatens the fabric of our neighborhoods, it will be increased public and private investments that keep renters and owners in the city and bring new residents back.

We at CRN and our members look forward to building One Chicago with you as affordable housing takes on a heightened attention and awareness across sectors as the lynchpin to sustainable communities and households. Affordable housing has to be at the intersection of equitable practices in health care, quality education and, workforce/economic development—when we recognize housing is a right and not a privilege, we will have stronger footing for all our communities to meet their aspirations equitably.

Key Chicago Budget Findings

The Dept. of Housing will receive over \$10 million more in Corporate Funds than in 2019 with these funds targeted for Flexible Subsidy Pool and Low Income Housing Trust Fund Programs. While an improvement, this allocation of Corporate Funds is still a reduction from the 2008 high appropriation of \$32.3 million, which severely limits the resources that are needed to meet a housing affordability shortfall of 120,000 homes. (See Graph 1)

The Chicago Low Income Housing Trust Fund is level funded at \$5.7 million according to the appropriation document. This should be significantly higher, however, as the Affordable Housing Opportunity Fund is projected to bring in \$44.3 million in fee revenue; with 50% of this being dedicated to the Chicago Low Income Housing Trust Fund during 2020.

Overall funding for Delegate Agencies - key neighborhood partners leading service delivery and development strategies - is increased by almost \$50 million. (See Table 1)

Revenue from the Real Estate Transaction Tax is projected at a robust \$202 million dollars. \$64 millions of this is appropriated to the Chicago Transit Authority with no dollars dedicated to residential real estate activities.

Table 1

Changes in Funds to Delegate Agencies		
DEPARTMENT DESCRIPTION	2019	2020 Proposed
Chicago Animal Care and Control	\$450,000	450,000
Chicago Police Department	\$600,000	0
City Clerk	\$200,000	200,000
Commission on Human Relations	\$119,991	119,991
Department of Business Affairs and Consumer Protect	\$3,357,039	3,857,039
Department of Cultural Affairs and Special Events	\$742,000	0
Department of Family and Support	\$410,526,532	454,621,945
Department of Housing	\$7,918,711	12,970,711
Department of Planning and Development	\$741,223	741,223
Department of Public Health	\$61,886,070	65,203,817
Department of Streets and San	\$825,000	825,000
Finance General	\$5,245,000	2,780,000
Mayor's Office for People with Disabilities	\$1,530,000	2,150,000
Grand Total	\$494,141,566	543,919,726

Table 2.

Corporate Funds by Department -- Change 2019 to 2020 Proposed		
DEPARTMENT DESCRIPTION	2019	2020 Proposed
Office of the Mayor Total	\$7,283,843	11,821,540
Office of Inspector General Total	\$6,578,727	6,644,426
Office of Budget and Management Total	\$3,147,391	3,092,004
Department of Innovation and Technology	\$23,872,930	0
City Council Total	\$27,128,987	\$26,521,926
Department of Housing Total	\$4,348,251	15,346,263
Board of Election Commissioners Total	\$34,186,369	18,385,666
Department of Public Health Total	\$36,003,214	55,244,977
Commission on Human Relations Total	\$1,155,982	1,091,268
Mayor's Office for People with Disabilities	\$1,595,158	1,927,829
Department of Family and Support	\$90,070,855	92,882,048
Department of Planning and Development Total	\$10,789,468	11,004,559
Police Board Total	\$465,978	540,410
Chicago Police Department	\$1,547,165,891	1,651,842,238
Office of Emergency Management and Comm	\$26,583,714	26,254,386
Chicago Fire Department	\$586,710,544	604,352,338
Civilian Office of Police Accountability	\$13,851,285	13,874,501
Department of Buildings Total	\$25,485,313	24,974,919
Department of Business Affairs and Consumer Protection	\$19,755,674	20,652,800
Chicago Animal Care and Control Total	\$6,843,307	7,028,537
Board of Ethics Total	\$866,882	873,629
Department of Streets and Sanitation	\$153,677,980	\$151,873,338
Chicago Department of Transportation	\$59,196,513	\$64,023,668
Finance General Total	\$791,834,486	1,269,661,447

Graph 1 - Allocations from Chicago Corporate Funds to Housing 2008-2019

