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Chicago development programs bypass Austin

West Side neighborhood has 'flat-out been ignored,' activist says

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The city's largest and most populous community, Austin, has been excluded from many of Chicago's signature neighborhood development programs, even as it has endured waves of foreclosure and population loss, government records and interviews show.

In 2003, for example, the Local Initiatives Support Corp. received $47 million from the MacArthur Foundation to work with City Hall and spark development in 16 neighborhoods. Austin was not among them.

In the past six years, the Chicago Affordable Housing Opportunity Fund has spent $6.5 million in government funds to help refurbish 11 apartment buildings citywide, records show. None was in Austin.

Rachel Johnston, of the nonprofit Chicago Rehab Network, tracks affordable housing projects and said South Austin has "just flat-out been ignored. ... We continue to not invest in neighborhoods that are already low-resourced."

The $169 million Neighborhood Stabilization Program since 2009 has used federal dollars to help nonprofits acquire 185 foreclosed buildings, then rehab them for sale or rental. In Austin, eight properties have been rehabbed under NSP, and only five were sold or rented, city records show.

"NSP was structured really on a scattershot basis," said Andrew Mooney, chief of Chicago's Department of Housing and Economic Development. "I think we've learned a lot."

Two years ago, Mayor Rahm Emanuel initiated the Micro Market Recovery Program, which works with banks and community groups to foster the reoccupation of vacant homes in neighborhoods with high rates of foreclosures.

Austin was not among the nine neighborhoods chosen, although officials recently announced that a half-mile-square section of the community would be included.

"We unfolded this in frankly somewhat of an experimental way," Mooney said. "We tried not to make promises we couldn't keep."

In March, Emanuel announced that his new Opportunity Planning initiative would use $330 million in public dollars to leverage $2.6 billion in private funding and boost seven neighborhoods. Austin was not on the list.

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