

Chicago Rehab Network E-Newsletter June 2007

For 25 years, the Chicago Rehab Network (CRN) has worked to further the development and preservation of safe affordable housing in Chicago, and throughout the state of Illinois.

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Comprehensive Plan to Safeguard Affordable Rental Housing in Cook County

The Preservation Compact, a project of the Urban Land Institute which has received major support from the John D. and Catherine T. MacArthur Foundation, announced May 31 a comprehensive series of concrete steps that will save at least 75,000 affordable rental apartments in Cook County, IL by 2020. The initiatives represent a joining of forces of area real estate, finance, philanthropic, non-profit and governmental leaders to stem the loss of a critical housing resource.

A key component of the plan is a Preservation Fund, through which community development leaders LIISC and Community Investment Corp. will offer a suite of new financing tools to assist both preservation-minded buyers and existing rental property owners seeking to maintain affordability. The MacArthur Foundation has pledged \$10 million in seed money to the Preservation Fund, which will eventually swell to \$100 million with banking industry support.

"Rental housing plays a central role in the region's economy and is as critical to its infrastructure as highways, transit systems, schools and industrial parks, but we have been losing this critical asset at alarming rates for many years now. The Preservation Compact has forged a private, public and nonprofit partnership that has committed to working together to reverse these trends," said Julia Stasch, co-chair of the Preservation Compact and Vice President for Human and Community Development at The John D. and Catherine T. MacArthur Foundation.

Read more about the Preservation Compact. -

http://rs6.net/tn.jsp?t=4mbjyacab.0.0.qv1m4xbab.0&ts=S0254&p=http%3A%2F%2Fwww.uli.org%2FAM%2FTemplate.cfm%3FSection%3DThe_Preservation_Compact

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**\* HOT STUFF: Housing Commissioner Resigns**

Jack Markowski, the city of Chicago's housing commissioner, resigned June 4 after 15 years on the job, including eight as the head of the agency. Markowski has become president of Park Bank Initiatives, the not-for-profit real estate development affiliate of Park National Bank. As he left office, Markowski shared plans to work on improving neighborhoods near bank branches and his initial projects will be focused on the city's Englewood and Pullman neighborhoods.

Markowski's tenure will be remembered as a time in which housing advocates and non-profit developers were able to engage a major city agency on issues related to affordable housing and pressing community needs. Though the relationship often had its challenges, "Markowski never shied away from focusing on the tough issues when it came to the impact affordable housing had on the city," said Kevin Jackson, executive director of the Chicago Rehab Network.

Markowski helped make political leaders understand the importance of affordable housing in the city, Jackson said.

With his technical know how, experience as a community activist and public official, Markowski exhibited leadership and a willingness to discuss issues, Jackson continued. "We hope the next commissioner will keep the open door policy that made for significant partnerships with the city and frank discussions on points of difference," Jackson said.

"Disagreements on some issues did not prevent Markowski from working with community groups and we hope his successor operates the same way," he added.

**Affordable Requirements Ordinance and DOH Quarterly Report and Hearing**

On Thursday, June 7, the Department of Housing presented its First Quarter Progress Report before the city council's Committee on Housing and Real Estate. DOH reports an aggressive production strategy for 2007 compared to previous years, with a goal of 12,309 units with \$543,185,199 in total commitments for 2007.

Commissioner Jack Markowski also announced that Cary Steinbuck, former executive director of the Rogers Park Community Council, will be the new executive director of the Chicago Low-Income Housing Trust Fund. We look forward to working with Ms. Steinbuck and the Trust Fund staff to establish a reporting process to track the activities of the program.

The Chicago Rehab Network attended the hearing to present its analysis before the Committee. For many years, CRN has commended the Department of Housing's commitment to transparency. No other city department provides this level of reporting on its activities and holds open forums for the public. With the recent passage of amendments to the Affordable Housing Ordinance, especially the inclusion of zoning triggers, a new opportunity exists to involve other departments, such as Zoning, Planning, and Buildings, and work together to foster a culture of open and transparent city government.

Click here to read our Analysis of the DOH Quarterly Report - <http://rs6.net/tn.jsp?t=4mbjyacab.0.0.qvlm4xbab.0&ts=S0254&p=http%3A%2F>

%2Fwww.chicagorehab.org%2Fresources%2Fdocs%2Fpolicy%2F1stqtr\_2007\_final.pdf

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* Membership Meeting Highlights

Members of the Chicago Rehab Network gathered at Grace Place (637 S. Dearborn Avenue) on May 24 to convene CRN's quarterly membership meeting. Representatives from member organizations reported on recent activities and accomplishments - from acquisitions and development activities to employment training, organizing and, with some organizations, adjusting to new aldermanic leadership.

CRN's membership meetings typically include a group of dynamic speakers to talk to members about various issues important to the affordable housing community. Members were able to engage Cook County Commissioner Mike Quigley, Dena al-Khatib of the Chicago Citywide Land Trust Program, and Darrell Price of Access Living.

Commissioner Quigley has been a staunch advocate for increased transparency within the Tax Increment Financing program. He presented a new report, "A Tale of Two Cities," which highlights the increasing use of TIFs as an economic development tool in the city of Chicago and Cook County - most especially as a critical source of financing for affordable housing developments. Commissioner Quigley urged members to advocate for better accountability and transparency in the TIF process. Click <http://www.commissionerquigley.com> (<http://rs6.net/tn.jsp?t=4mbjyacab.0.0.qvlm4xbab.0&ts=S0254&p=http%3A%2F%2Fwww.commissionerquigley.com>) for more information.

The Citywide Community Land Trust has been in effect since 2006. The program is an innovative approach to address affordable housing needs by keeping homes affordable for the long-term through a ground lease or restrictive covenant. Homes in the land trust are also kept affordable for future owners by placing a maximum resale price that is designed to give homeowners a fair return on their investment, while keeping the homes affordable for subsequent buyers. Dena al-Khatib, CCLT director, presented an overview of the program and provided valuable information for both home buyers and developers participating in CCLT program. More information about CCLT can be obtained by contacting Dena al-Khatib at 312-742-0621.

People with disabilities face an even greater challenge finding safe, affordable, and accessible housing. Darrell Price, of Access Living, a non-profit

group that advocates for people with disabilities, spoke about continuing efforts to push for integrated housing and full access to housing programs receiving government assistance. Access Living recently lobbied with National Adapt in Washington D.C. to raise awareness of institutional bias against people with disabilities that is fostered by the lack of integrated, accessible, and affordable housing. For more information about Access Living, visit www.accessliving.org.

Chicago Rehab Network members are non-profit, community development corporations and housing advocacy organizations dedicated to the creation and preservation of affordable housing.

* New Member Spotlight: CRN Welcomes the Spanish Coalition for Housing

We would like to congratulate the Spanish Coalition for Housing on becoming the newest member of the Chicago Rehab Network. The Spanish Coalition has had a long history of success within Chicago's Latino community, serving the west side and Pilsen.

The organization was created in 1966 and in 1973 became the first organization in Chicago to be certified as a housing counseling agency by the Department of Housing and Urban Development. It remains the sole Hispanic agency enjoying that distinction today.

With a 27-member staff and around a \$1.6 million budget the Spanish Coalition for Housing is able to positively impact the communities it serves. Its mission is to "provide low and moderate income families with the necessary tools needed to acquire and maintain safe, decent affordable housing."

In order to complete this mission, the organization employs a variety of programs. The programs offered include Pre- and Post-Purchase Counseling, Foreclosure Prevention Counseling, Housing Initiative Program, Advocacy Assistance, Housing Choice Voucher Program Mobility Counseling, and the Chicagoland Bilingual Landlord Association.

The CRN board recommended the Spanish Coalition for Housing for membership at CRN's May 2 board meeting. At our most recent quarterly membership meeting held May 24, CRN members voted unanimously to add the Spanish Coalition for Housing to our membership rolls. Now that the membership process is complete, the Spanish Coalition represents a powerful addition to an already strong network.

Click here for more about the Spanish Coalition for Housing -
<http://rs6.net/tn.jsp?t=4mbjyacab.0.0.qvlm4xbab.0&ts=S0254&p=http%3A%2F%2Fwww.state.il.us%2Fdhr%2FHousenet%2Fprivate%2Fspanish%2F>

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\* CRN Empowerment Series Nearing End

With just one workshop left in the Chicago Rehab Network's annual "Community Development and Empowerment Series," participants have begun to draw lessons and acquire a more comprehensive understanding of the development process. In the "Single Family and Multifamily Housing Development" workshops, held at the offices of the Community and Economic Development Association of Cook County (CEDA), instructors and experienced practitioners Teresa Prim and Linda Greene led participants through the entire development process, reiterating special challenges posed by the goal of affordability. Students appreciated time spent on major topics, including subjects like site selection and site control, and more conceptual issues, such as the relationship between developers and architects, or contractors.

In the June 7-8 workshop on Project and Construction Management, veteran practitioner and recent CNDA award winner Angela Hurlock of Claretian Associates provided a thorough introduction to developer responsibilities during construction. Day one was generously hosted by the Community Affairs arm of Charter One Bank, while day two saw participants touring ongoing developments in the Lawndale and Bronzeville neighborhoods. It included a full tour of two "green" houses by Genesis Housing as well as a rental rehab project being undertaken by the Lawndale Christian Development Corporation.

The Empowerment Series will wrap up on June 21-22 with the "Property/Asset Management and Tenant Services" workshop.

For more information on the work of Genesis Housing Development Corporation, go to  
[http://www.genesis  
hdc.org/](http://www.genesis hdc.org/).

(<http://rs6.net/tn.jsp?t=4mbjyacab.0.0.qvlm4xbab.0&ts=S0254&p=http%3A%2F%2Fwww.geneshdc.org%2F>) For more info on the LCDC, visit [www.lcdc.net](http://www.lcdc.net).  
(<http://rs6.net/tn.jsp?t=4mbjyacab.0.0.qvlm4xbab.0&ts=S0254&p=http%3A%2F%2Fwww.lcdc.net>)

\* We Need the People Who Need Affordable Housing

Housing Illinois is an unprecedented coalition of over 40 housing advocates, planning organizations, faith-

based service and advocacy groups, foundations, development intermediaries, nonprofit developers, public agencies, and financial institutions organized in 2001 to develop a communications outreach campaign that will generate the civic will to increase the supply and acceptance of affordable housing throughout the metropolitan Chicago area and the state of Illinois.

Check out this clip that promotes affordable housing. - [http://rs6.net/tn.jsp?t=4mbjyacab.0.0.qvlm4xbab.0&ts=S0254&p=http%3A%2F%2Fwww.housingillinois.org%2Fcampaign\\_advertisements.htm](http://rs6.net/tn.jsp?t=4mbjyacab.0.0.qvlm4xbab.0&ts=S0254&p=http%3A%2F%2Fwww.housingillinois.org%2Fcampaign_advertisements.htm)

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* Mayor Touts New Initiative to Preserve Affordable Rentals

Mayor Richard M. Daley recently announced a new three-year initiative designed to preserve at least 6,500 affordable rental units through an investment of \$12 million and an allocation of \$150 million in tax-exempt bonds. "One of the biggest challenges facing our city is making sure that every family has a home it can afford, so Chicago can continue to have residents of every age, income and background," Daley said at a June 6 news conference in front of an apartment building at 3126-30 W. Palmer Blvd., which is being kept affordable with city assistance.

"Here in Logan Square - and across the city - the supply of affordable rental housing is shrinking as some apartment buildings deteriorate; others raise their rents; and still others are converted into condos. And as construction costs continue to rise, it is impossible to build new affordable apartment buildings in the city and make a profit. So our best course - and really our only course - is to preserve what we already have," said the mayor. The Lorington Apartments, located at 3126-30 W. Palmer Blvd. and at 2630-44 N. Spaulding Ave. contain 54 units, ranging in size from one to four bedrooms.

Under the state's Federally Assisted Housing Preservation Act, the buildings' owner notified tenants that the federal subsidies were expiring and he intended to raise rents. The tenants contacted the Logan Square Neighborhood Association, which worked with the City Department of Housing and The Community Builders, a preservation developer, to keep rents affordable for families earning less than 60 percent of area median income, or \$45,240 for a family of four.

The mayor was joined by leaders from the Logan Square Neighborhood Association and Chicago Rehab Network staffers for the announcement.

Daley also announced plans to introduce an

ordinance designed to help apartment buildings remain affordable.

Daley's ordinance is modeled after a 2004 state law requiring building owners to give tenants 12 months' notice before subsidies expire, so the tenants have time to seek a developer who would keep the building affordable. Under the mayor's ordinance, the owner also would have to notify the city, which could look for an affordable developer. If the owner sought to sell to a market-rate developer, the affordable developer would have the right to match the purchase price. The Chicago Rehab Network was instrumental in getting the state law passed.

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\* Takin' Note

Congratulations to Joy Aruguete, executive director of Bickerdike Redevelopment Corporation, on her appointment to the Enterprise Advisory Board. Enterprise's Network Advisory Board is comprised of leaders in the affordable housing and community development industry. The board advises Enterprise on practitioners' needs in the field, lending policies and New Markets Tax Credits and provides feedback on Enterprise's existing efforts and new initiatives to revitalize communities. Enterprise's mission is to see that all low-income people in the United States have the opportunity for fit and affordable housing and to move up and out of poverty into the mainstream of American life. Enterprise is a national organization that helps build affordable housing for low-income Americans through providing financing and expertise to housing developers, including loans, tax credit financing and asset management services.

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