



FOR IMMEDIATE RELEASE

October 15, 2009

**Contact: Kevin Jackson
Chicago Rehab Network
Phone: 312-663-3936**

E-mail: kevin@chicagorehab.org

Housing cost burden and increase demand for rental housing call for prioritization of affordable housing in City Budget.

New data shows half of Chicagoans are burdened by housing costs; More homeowners struggle with foreclosures.

As the City of Chicago prepares to release its proposed Budget for 2010, Chicago Rehab Network (CRN) has released a new Housing Fact Sheet along with a Community Toolkit to help Chicagoans understand the City Budgeting process and make their voices heard about affordability in their community. Mayor Richard Daley is expected to announce the Proposed 2010 Budget to the full City Council on October 22, 2009 at Council Chambers. Afterwards, a series of public departmental hearings will take place where Aldermen have the chance to evaluate the activities and performance of all city departments and agencies.

“We are at a critical juncture as citizens of Chicago,” according to Kevin Jackson, Executive Director of Chicago Rehab Network. “The City Budgeting process happens every year and is often overlooked as a way to impact change. This is the opportunity for Chicagoans to tell their elected leaders that affordable housing is needed in their community.”

It is even more important now for residents to make their concerns about affordable housing heard as the City faces an estimated \$520 million deficit. “Keeping affordable housing a priority in this challenging environment will not be easy but crucial for neighborhoods and Chicago at-large,” says Jackson.

Chicago Rehab Network’s 2009 Housing Fact Sheet helps illustrate the need for affordable housing. CRN analyzed data from the American Community Survey, which was released by the U.S. Census Bureau last month. This data shows the most complete picture of housing affordability in Chicago since the start of the recession in December 2007.

-more-

Major findings contained in the Housing Fact Sheet:

- The share of homeowners who are cost burdened increased from about one in three mortgage-holders in 2000 to one in two in 2008. The cost burden rate among renters remained the same since 2000, increasing by about 2 percentage points to 52 percent. **Overall, about half of all Chicago households spend more than a third of their income on housing.**
- Households earning below the City's median household income--\$46,911--bear the brunt of housing costs: **four out of five renters who earn less than \$50,000 annually are cost burdened.** Among owners, two out of three mortgage -holders earning between \$50,000 and \$75,000 annually--well above the city median--spend more than a third of their income on housing. **Owners with monthly housing costs of over \$2,000 increased seven-fold since 2000.** A household would need to earn at least \$85,000 to afford that payment.
- There is an increasing demand for rental housing. There are 18,400 fewer owner households in 2008 from the prior year. Renter households, on the other hand, show the opposite trend. **After falling 14 percent from 2000 to 2007, renter households increased by 4 percent in 2008 from the prior year.**
- Foreclosure filings are increasing at a faster rate. In the first half of 2009, the number of foreclosure filings is already 63 percent of the total foreclosure filings in 2008. **In a year and a half, over \$8 billion worth of mortgages went into foreclosure.**

“When families spend too much on housing, it leaves less of their income for essential needs like groceries and clothing,” says Andy Geer, CRN’s Board President and Executive Director of Heartland Housing. “Affordable housing is the real stimulus; families are also able to participate in the commerce of the community if they have housing that they can afford.”

The CRN **2009 Housing Fact Sheet** and the **Affordable Housing and the City Budget Community Toolkit** are available online at www.chicagorehab.org or by request by calling 312-663-3936.

The Chicago Rehab Network (CRN) is a citywide coalition of community-based development organizations. Founded in 1977 by community groups seeking to pool expertise and share information, the coalition membership consists of over 40 housing organizations representing over 60 city neighborhoods. Over the years CRN’s members have created tens of thousands of affordable housing units and made a visible impact on some of Chicago’s most disinvested communities, while preserving affordable housing in some of its most rapidly gentrifying ones. Visit www.chicagorehab.org for more information.

###