Who benefits from affordable housing resources and policies is the primary lens through which we analyze policy. Combined with a place-based development framework which we believe is fundamental to sustainable communities and housing, we are most committed to ensuring that housing need and demand is understood.

Sources of Financing
Chicago funds new projects of affordable housing development with many sources of financing with 80% coming through federal government authority, formula, or entitlement programs. City sources included mostly allocations of Tax Increment Financing. State funds have funded many city projects through IHDA, and transfer tax sourced programs like the Trust Fund and State Donations Tax Credit. City corporate revenue contributions include funding for DOH operations and several small boutique programs. The corporate contribution did double in the last year – to just over $30 million – the increase resulting from inclusionary zoning policies which allow fees in lieu of unit creation. The income from these policies, which are dependent on market fluctuations, is captured from benefits to market-rate projects and then linked back for affordable housing purposes.

The chart below reflects the sources of financing for the 62 multifamily rental projects funded during the 2004-2008 Plan to date.
Rental Unit Income Targeting

*Build, Preserve, Lead* laid out the City’s housing goals and resources to be targeted during the 5 year span of 2004-2008. A key goal of that plan for 85% of all rental unit creation to benefit households earning less than 50% of the area median income or $37,700 for a family of four. In fact, only 55% of the rental unit created through project rehab or new construction benefited this targeted group of Chicagoans.

![Bar chart showing 2004-2008 Rental Unit Income Targeting](chart)

"The Department will target its rental programs more aggressively, an estimated 85 percent of the units will serve households at or below 50 percent of the area median income ($37,700 for a family of four.)" *Build, Preserve, Lead p17*
Single Family Housing Programs
The Departments’ Single Family Housing Programs in total units exceeded their goal and reached 6,678 units. Almost two-thirds of these units benefited households earning over 80% of the area median income ($59,600 for a family of four. Please see page 8 for details on Income guidelines).
Multifamily Housing Programs
The benefits of all multifamily programs by income group is shown in the chart below.
Multifamily Rental Projects
The 62 multifamily projects funded during the 2004-2008 plan-to-date were awarded to nonprofit organizations 38% of the time, with the remaining to for profits developers.

Of these 62 projects, there were 48 non-CHA related developments. Receiving the greatest share of benefits were senior projects, followed by family projects, and supportive housing with 25%.

* Does not include CHA projects funded by DOH
While we do not have full information about each Plan for Transformation development, we have analyzed what has been provided by the Department of Housing. This chart shows benefits resulting from DOH funding towards Plan for Transformation projects.
**Bedroom Size**

Housing units produced in the 62 multifamily projects were largely for non-family households. Almost 60% of all units produced were one bedroom or smaller.

![MF Units by Bedrooms - Projects Only](image)

Of CHA-related projects, 66% of these units were 2 bedrooms and larger.

![DOH-Funded CHA Projects - by Bedroom(s)](image)
A Note About Income Guidelines

There are two conflicting sources of numbers that are used to understand the incomes of Chicagoans. Through the Federal Census, a median household income is determined and updated annually through the American Community Survey. For 2006, the median household income in Chicago is an estimated $43,223. This means that half of all households in Chicago make less than that amount in annual income. The other source is HUD which sets Fair Market Rents and Income Limits to regulate targeting of their funds. The calculations are set geographically based on the PMSA or Primary Metropolitan Statistical Areas, which are defined by the Federal Office of Management and Budget. For Chicago, that means that metro suburban incomes are merged with Chicago incomes. The chart below is a reference to understand the incomes of Chicagoans impacted by housing programs. The 100% Area Median Income benchmark typically used by the City’s housing programs is $75,400 for a family of four.

HUD Income Limits Table, effective March 2007

<table>
<thead>
<tr>
<th>Household Size</th>
<th>10%</th>
<th>15%</th>
<th>30%</th>
<th>50%</th>
<th>60%</th>
<th>65%</th>
<th>80%</th>
<th>100%</th>
<th>120%</th>
<th>140%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Person</td>
<td>$5,300</td>
<td>$7,900</td>
<td>$15,850</td>
<td>$26,400</td>
<td>$31,680</td>
<td>$34,300</td>
<td>$41,700</td>
<td>$52,800</td>
<td>$63,350</td>
<td>$63,350</td>
</tr>
<tr>
<td>2 Person</td>
<td>$6,050</td>
<td>$9,050</td>
<td>$18,100</td>
<td>$30,150</td>
<td>$36,180</td>
<td>$39,200</td>
<td>$47,700</td>
<td>$60,300</td>
<td>$72,350</td>
<td>$72,350</td>
</tr>
<tr>
<td>3 Person</td>
<td>$6,800</td>
<td>$10,200</td>
<td>$20,350</td>
<td>$33,950</td>
<td>$40,740</td>
<td>$44,150</td>
<td>$53,650</td>
<td>$67,900</td>
<td>$81,500</td>
<td>$81,500</td>
</tr>
<tr>
<td>4 Person</td>
<td>$7,550</td>
<td>$11,300</td>
<td>$22,600</td>
<td>$37,700</td>
<td>$45,240</td>
<td>$49,000</td>
<td>$59,600</td>
<td>$75,400</td>
<td>$90,500</td>
<td>$90,500</td>
</tr>
<tr>
<td>5 Person</td>
<td>$8,150</td>
<td>$12,200</td>
<td>$24,450</td>
<td>$40,700</td>
<td>$48,840</td>
<td>$52,900</td>
<td>$64,350</td>
<td>$81,400</td>
<td>$97,700</td>
<td>$97,700</td>
</tr>
<tr>
<td>6 Person</td>
<td>$8,750</td>
<td>$13,150</td>
<td>$26,250</td>
<td>$43,750</td>
<td>$52,500</td>
<td>$56,900</td>
<td>$69,150</td>
<td>$87,500</td>
<td>$10,500</td>
<td>$105,000</td>
</tr>
<tr>
<td>7 Person</td>
<td>$9,350</td>
<td>$14,050</td>
<td>$28,050</td>
<td>$46,750</td>
<td>$56,100</td>
<td>$60,800</td>
<td>$73,900</td>
<td>$93,500</td>
<td>$112,200</td>
<td>$112,200</td>
</tr>
<tr>
<td>8 Person</td>
<td>$9,950</td>
<td>$14,950</td>
<td>$29,850</td>
<td>$49,750</td>
<td>$59,700</td>
<td>$64,700</td>
<td>$78,650</td>
<td>$99,500</td>
<td>$119,400</td>
<td>$119,400</td>
</tr>
</tbody>
</table>
Housing and Wages
The National Housing Conference’s Paycheck to Paycheck analysis provides context for rental and homeownership costs as it relates to particular Chicago wages. The charts below illustrate how affordability relates to incomes.