

E-Newsletter

December 2007

In this issue

HOT STUFF: Learning About TIFs

Save Lathrop Homes: CRN Comments on CHA Plan for Transformation

3rd Quarter DOH Analysis Available

'We Need the People Who Need Affordable Housing'

In Memoriam

Happy Holidays!

HUD Training A Success

The Chicago Rehab Network hosted a special one day training session Oct. 30 to provide HUD owners and managers with an overview of critical information for the administration of project-based Section 8 properties. The sessions included coverage of recent revisions to the HUD Handbook 4350.3, Occupancy Requirements of Subsidized Multifamily Housing Programs, which became effective Sept. 24, 2007.

Illinois owners, property supervisors and site staff responsible for implementing these updated requirements were invited to attend the session. CRN also provided an overview of the Illinois Preservation Act, detailing how the act shapes the rights of HUD tenants and how engaged tenants are crucial for to preserving housing. The training, which drew over 300 people was held at the Hyatt McCormick Place.

The agenda for the day included presentations from Edward Hinsberger, director of HUD's Chicago Multifamily Hub (above photo) ; a training on occupancy requirements by Curt Hayes, of Compliance Solution, and a session on the Illinois housing preservation law was led by the Illinois Housing Development Authority and a session on working successfully with HUD tenants was conducted by the Chicago Rehab Network. Julia Stasch, of the MacArthur Foundation, provided an effective overview of the Preservation Compact.

"We believe it is possible for owners, managers and tenants to work together to create the conditions necessary for decent places to live and a thriving housing business," said Rachel Johnston, Chicago Rehab Network director of operations. The training is

designed to help managers and owners understand new federal guidelines for tenant occupancy and tenant participation in organizing. A presentation devoted to Illinois' housing preservation law, which gives tenants the right to buy properties that opt-out of subsidized programs, generated a lot of interest.

Without active tenant participation it is virtually impossible to preserve affordable housing. We estimate that 9,000 units of 12,400 units could be lost by 2010, in Chicago alone, unless federally restricted mortgages and contracts are renewed. These federally subsidized apartments are not linked to individual housing vouchers, but are kept affordable by the contracts between owners and the U.S. Department of Housing and Urban Development.

Ms. Stasch talked to trainees about the Preservation Compact, a Cook County-based initiative that aims to protect 75,000 units of affordable housing by 2010. She stressed the need for effective partnerships and innovative ideas to meet the Compact's goals.

Click here for more information about the Preservation Compact:

<http://chicago.uli.org/Content/NavigationMenu12/Initiatives/ThePreservationCompact/default.htm>

*** HOT STUFF: Learning About TIFs**

The Chicago Rehab Network recently held its first training on using Tax Increment Financing for affordable housing. The Nov. 30 training was hosted by National City Bank and led by instructor Bob Kunze, a former deputy commissioner of development support services for the city of Chicago's Department of Planning and Development.

Mr. Kunze, who was responsible for the department's financial programs for economic redevelopment, including the Tax Increment Finance program, drew on his wide breadth of knowledge and practical experience to take participants beyond the theory and walk them through the realities of using TIF for affordable housing in Chicago. Over 30 organizations were represented at the session.

Participants were welcomed to the training by Assistant Vice President of Community Reinvestment Matt Hickey and CRA Officer Cassandra Slade of National City. Following a brief introduction by Heartland Alliance's Andy Geer, Kunze launched into presenting the basics of TIF to a packed house of affordable housing developers, as well as select staff from the Chicago Department of Housing Developer Services Program. The training covered topics such as TIF eligible costs in affordable projects, creating new TIFs, the approval process for TIF-supported affordable projects, reimbursement options, and city (and developer) considerations in determining TIF amounts. Participants keen on voicing their concerns found Mr. Kunze more than accommodating in responding to questions. Dialogue between participants and the instructor was constant.

Evaluations of the training materials, facilities and instructor were overwhelmingly positive. Among the most beneficial aspects of the training as listed by participants included frank discussions about timelines, whom to contact, information about what kinds of projects are eligible for TIF funds, and the opportunity to hear colleagues questions and comments.

Furthermore, participants were pleased with the highly-detailed overview of the entire TIF process, from creating a district to closing the project. Based on the comments of those who attended, CRN will likely offer a refresher course next year, with variations on the original training.

"We look forward to providing continued assistance in this important area. Thanks to Matt Hickey and Cassandra Slade of National City for being such gracious hosts and to Bob Kunze for helping make this a success," said CRN executive director Kevin Jackson.

*** Save Lathrop Homes: CRN Comments on CHA Plan for Transformation**

Comments on the CHA Plan for Transformation were recently forwarded to the agency by the Chicago Rehab Network. The CRN's analysis and recommendations focused on the need to preserve the Julia C. Lathrop Homes. It is the last standing family public housing site on the north side.

Lathrop Homes is well situated to become an example of mixed income community, given its location in a rapidly gentrifying area. The complex sits in a area that is near shopping, jobs, transportation and does not face the challenge of isolation that was used to justify the destruction of other public housing complexes. For a copy of CRN's comments, call 312-663-3936, or visit our website, www.chicagorehab.org.

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**\* 3rd Quarter DOH Analysis Available**

An analysis of city Department of Housing progress for the third quarters has been compiled by the Chicago Rehab Network. The documents discusses projects, policy and spending by the city agency related to affordable housing.

The 3rd Quarter Progress Report 2007 was released Dec. 4 and includes references to the 2008 city budget and concerns raised by rising foreclosures, the slowing housing market, overall economic downturn, affordable housing supports. CRN argued again that home ownership is not for everyone and that a healthy rental housing stock remains vital for maintaining stable communities. The leadership and partnership that resulted in the Nov. 19 groundbreaking of the West Humboldt Park Homes, a project to be developed under the New Homes for Chicago program, was lauded. CRN trainings that focus on maximizing existing programs towards the creation of affordable housing were also mentioned. A recent training focused on the use of TIF for affordable housing. The analysis also addressed Department of Housing preservation efforts and new unit production through September 2007.

Commitments for the Illinois Affordable Housing tax credits of the Donations Tax Credits were also discussed and summaries of six projects approved for this quarter.

Click here to check out CRN's 3rd Quarter DOH analysis. Visit [www.chicagorehab.org](http://www.chicagorehab.org).

**\* 'We Need the People Who Need Affordable Housing'**

With the sub-prime mortgage mess, rising rental and homeownership costs, and economic woes, the argument for affordable housing has never made more sense. The Housing Illinois ( <http://www.housingillinois.org/>) effort remains an important part of our work to educate the public about affordable housing and to advocate for sound housing policy. Drop by our website [www.chicagorehab.org](http://www.chicagorehab.org) for some reminders about the importance of our work and to see the work CRN continues to do to push for decent and affordable housing for everyone through Housing Illinois.

See why we need the people who need affordable housing ...  
[http://www.housingillinois.org/campaign\\_advertisements.htm](http://www.housingillinois.org/campaign_advertisements.htm)

**\* In Memoriam**

The Chicago Rehab Network wanted to offer its condolences to the family, friends and all who knew and worked with John Pritscher and John Lukehart who passed away this year. As president and CEO of the Community investment Corp., Pritscher was a passionate advocate for the preservation of affordable housing in the city of Chicago. Lukehart was instrumental in forming the Housing Roundtable as part of his work at the Leadership Council for Metropolitan Open Communities. Their work and sacrifice will not be forgotten and continues to help make life better for others.

**\* Happy Holidays!**

May this season bring you joy, happiness and safe entrance into the New Year. We value your support and look forward to doing great things in 2008.

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