

LOYOLA UNIVERSITY CHICAGO  
CENTER FOR URBAN RESEARCH AND LEARNING

POTENTIAL STRATEGIES  
FOR PRESERVING  
AFFORDABLE HOUSING  
IN ROGERS PARK

---

A PAPER PREPARED FOR THE COMMUNITY OF OPPORTUNITY  
AFFORDABLE HOUSING COALITION OF ROGERS PARK,  
CHICAGO, ILLINOIS

MICHAEL ROHRBECK  
KALE WILLIAMS

MAY, 2002

Michael Rohrbeck is Community Project Coordinator in the Center for Urban Research and Learning, Loyola University Chicago. Kale Williams is Senior Scholar in the Center for Urban Research and Learning, Loyola University Chicago

---

## **ACKNOWLEDGEMENTS**

---

The authors are grateful to John Fitzgerald, Mary Jane Hagerty, Joseph Hoereth and Catherine Vates for editorial assistance.

Partial funding for this paper was provided by the Community Outreach Partnership Centers, a program of the United States Department of Housing and Urban Development

# Contents

|   |            |
|---|------------|
| <b>INTRODUCTION</b> .....   | <b>1</b>   |
| <b>BACKGROUND</b> .....   | <b>2</b>   |
| <b>COMMUNITY BASED STRATEGIES</b> .....   | <b>4</b>   |
| BUILD LOCAL SUPPORT FOR AFFORDABLE HOUSING IN ROGERS PARK.....  | 4          |
| SUPPORT NEW OR EXPANDED COMMUNITY PLANNING PROCESS.....   | 5          |
| SUPPORT AND EXPAND GOOD NEWS PARTNERS’ PROGRAMS.....  | 6          |
| SEEK COLLABORATION WITH LOYOLA UNIVERSITY .....   | 7          |
| SUPPORT AND EXPAND TENANT ORGANIZING .....  | 8          |
| EXPAND USE OF HOUSING CHOICE VOUCHERS.....  | 9          |
| ESTABLISH TENANT REFERRAL CLEARINGHOUSE .....   | 10         |
| SUPPORT "COMMUNITY EXPEDITER" OR OMBUDSMAN FOR RENT SUBSIDIES.....                                      | 11         |
| ESTABLISH A SERVICE TO STRENGTHEN CAPACITY OF OWNERS OF PRIVATE, UNSUBSIDIZED AFFORDABLE HOUSING .....  | 12         |
| PARTNER WITH COMMUNITY DEVELOPMENT CORPORATIONS.....  | 13         |
| EXPLORE USE OF TAX INCREMENT FINANCING DISTRICTS FOR AFFORDABLE HOUSING.....                            | 14         |
| FOSTER LIMITED EQUITY CO-OPERATIVES.....  | 15         |
| IMPROVE EFFECTIVENESS OF SERVICES FOR FAMILIES AT RISK OF DISPLACEMENT.....                             | 16         |
| ASSIST LOW-INCOME TENANTS TO BECOME HOMEOWNERS.....   | 18         |
| DEVELOP STRATEGIES TO "SLOW TRACK" MULTI-UNIT DEVELOPMENTS AND CONDO CONVERSIONS .....                  | 19         |
| ENHANCE COMMUNITY CAPACITY TO SERVE AND ENGAGE RESIDENTS OF DIVERSE BACKGROUNDS .....                   | 21         |
| <b>CITY/STATE STRATEGIES</b> .....  | <b>22</b>  |
| IMPROVE ADMINISTRATION OF HOUSING CHOICE VOUCHERS .....   | 22         |
| ESTABLISH COMMUNITY LAND TRUSTS .....   | 23         |
| FOSTER REDEVELOPMENT OF MIXED COMMERCIAL AND RESIDENTIAL PROPERTIES .....                               | 25         |
| INCREASE FUNDING FOR CHICAGO’S LOW INCOME HOUSING TRUST FUND.....                                       | 26         |
| PRESERVE AFFORDABILITY IN BUILDINGS WITH EXPIRING SUBSIDY CONTRACTS .....                               | 27         |
| SECURE SUPPORT FOR INCLUSION OF AFFORDABLE UNITS IN NEW CONSTRUCTION AND CONDOMINIUM DEVELOPMENTS ..... | 28         |
| <b>NATIONAL STRATEGIES</b> .....  | <b>29</b>  |
| SEEK SUPPORT FOR PASS-THROUGH GRANTS FOR CONDO OWNERSHIP .....  | 29         |
| INCREASE FUNDING FOR HOUSING CHOICE VOUCHERS .....  | 31         |
| SUPPORT PROPOSED NATIONAL AFFORDABLE HOUSING TRUST FUND .....   | 32         |
| <b>SUMMARY</b> .....  | <b>33</b>  |
| <b>APPENDIX A: COAHC VISION STATEMENT</b> .....   | <b>i</b>   |
| <b>APPENDIX B: AFFORDABLE INCOME DEFINITIONS</b> .....  | <b>ii</b>  |
| <b>APPENDIX C: HOUSING AGENCIES AND COALITIONS</b> .....  | <b>iii</b> |
| <b>APPENDIX D: CHARACTERISTICS OF INCLUSIONARY HOUSING PROGRAMS</b> .....                               | <b>x</b>   |

# POTENTIAL STRATEGIES FOR PRESERVING AFFORDABLE HOUSING IN ROGERS PARK

---

## INTRODUCTION

---

Loyola University Chicago’s Center for Urban Research and Learning (CURL) has prepared this report for consideration by the Community of Opportunity Affordable Housing Coalition (COAHC), a coalition of community agencies in Rogers Park. COAHC’s purpose is to preserve affordable housing and avoid displacement of lower-income residents in the face of gentrification in their community.<sup>a</sup> COAHC values the economic, racial and ethnic diversity of Rogers Park, and in particular, strives to benefit families and households with annual incomes of between 0-\$15,000 and \$15,000-30,000 with development and assistance efforts.<sup>b</sup>

This report on affordable housing strategies should be considered as a supplement to “Gentrification and Affordable Housing in Rogers Park: Community of Change – Community of Opportunity” (2002) [hereafter referred to as the Gentrification Report]. These analyses, perspectives and strategies are presented for consideration by COAHC members as they plan for the next stage of action to preserve affordable housing.

Strategies are drawn from ideas raised in COAHC meetings, training and planning sessions; from the experience of the authors, Michael Rohrbeck and Kale Williams; and from advisors with community development and housing expertise. Subjective comments are made in the background and strategies below, including assessments about the economic and political feasibility of approaches and the income levels served by these approaches.

---

<sup>a</sup> See COAHC vision statement in Appendix A

<sup>b</sup> Targeting of programs and projects to people of different incomes or special needs is a likely subject for public dialogue. Clearly, people with the lowest incomes have the greatest needs. However, some might argue that broader definitions of eligibility would engage a larger constituency. See Appendix B for COAHC and Federal definitions of affordable housing need and eligibility.

## **BACKGROUND**

---

The Gentrification Report details changes in population and housing characteristics in Rogers Park during the last decade and identifies relevant findings. However, to put potential strategies in context requires a perspective on national trends with local relevance, as well as key Rogers Park issues.

Over the last two decades, faith based and social service organizations have increasingly focused programming on housing provision and assistance, primarily because housing is one of the most significant economic and environmental challenges to the families served. When housing needs are not adequately addressed other services and support are less successful. Conversely, housing organizations have increased services, organizing, and economic programming. High housing costs for lower-income households are a major factor in the complex of problems and needs that require intense social services.

During the same period, the trend among foundations and corporate donors has been to fund community development strategies via large non-profits, intermediaries or collaborations among community-based groups, rather than directly support local organizations. Meanwhile, developing very low-income housing in communities like Rogers Park has become near impossible without rent subsidies.<sup>c</sup> To add to the challenges, racial discrimination in housing persists as a major obstacle to affordable housing efforts. NIMBY responses to low-income housing creation and preservation proposals are predictable.

Political winds have also shifted. Ownership housing initiatives and rental housing for elderly and special needs groups are in political favor. Production and community support for affordable rental housing for families has declined.

In Rogers Park many low-income people reside in the dense North of Howard neighborhood, Census Tract 101. Here, the major developer of affordable housing in the last 20 years was a non-profit developer that ultimately failed, shattering the confidence of many about further affordable housing development efforts. In addition, private market forces in North of Howard and government-funded community improvements have resulted in displacement of lower-income residents. This is largely due to the shortage of reasonably priced relocation or replacement housing in Rogers Park.

---

<sup>c</sup> Current underwriting standards suggest that projects requiring acquisition and rehabilitation financing intended to benefit low-income people, should budget management expenses (before debt service and profit) in the range of \$500 per month for a family-sized apartment. At this rate, tenants' annual income must exceed \$18,000 per year to afford the rentals. (10/99 interview with David Salzman, Assistant Commissioner, Chicago Dept. of Housing)

Given this complex and challenging context, the bar for COAHC is set high to choose strategies, engage the community in planning and support, and implement solutions. Thankfully, three factors provide good reason for hope. First, Rogers Park benefits from the strength of its community organizations, a critical component to creating and maintaining stable and diverse communities.<sup>d</sup> Second, the City of Chicago is beginning to value and support racially, ethnically and economically diverse communities like Rogers Park.<sup>e</sup> Third, activists better understand the pivotal role of local aldermen in creatively exercising their “pocket veto”<sup>f</sup> or proactively supporting housing initiatives.

The potential strategies described in this report fall into three categories: those that can be undertaken within the community, those that require action by city or state governments, and those that depend on policies of the federal government. Obviously, the last two approaches often require participation in larger coalitions.

The authors hope and expect that this menu of strategies will foster dialog within COAHC and the larger community. Each section includes a description of the strategy, accompanied by a box with the authors’ assessment of income levels served, estimated cost and general feasibility.<sup>g</sup> Those assessments, of course, are subject to analysis and debate. Particularly, feasibility depends on many factors, including organizational capacity, community and political support, funding, economic conditions, good timing, and luck.

---

<sup>d</sup> DHUD/Cityscape Journal, “Racially & Ethnically Diverse Urban Neighborhoods”, Nyden et al, 1998

<sup>e</sup> “Action Plan of the Chicago Forum on Housing Solutions”, Chicago Dept. of Housing, 2000

<sup>f</sup> Pocket Veto is a term in local political lexicon that captures the informal powers of alderman to win the support of fellow council representatives on virtually any community decision not opposed by the mayor. CURL interviews with current aldermanic staff and a former alderman indicate that these informal powers also extend to projects and programs not funded by the City at all.

<sup>g</sup> Definitions of income levels, costs and feasibility as used in the summary boxes for each strategy.

**Income level served:** (Programs with higher upper limits tend to serve few very low income tenants, unless combined with Section 8)

Extremely Low Income (ELI) 0 to 30% of Area Median Income (AMI) established annually by HUD

Very Low Income (VLI): 30 to 50% of AMI

Low Income (LI) 50 to 80% of AMI

Moderate Income (MI) 80 to 120% of AMI

Above Moderate Income (MI): over 120% of AMI

**Cost:** (The cost to COAHC or individual community organizations, not the cost of governmental housing programs)

Low: Can be included in existing budgets with modest additions, through shifting responsibilities or involving volunteers.

Moderate: Requiring funding for one full-time staff and accompanying program expense, with volunteer involvement.

High: Requiring funding for two or more staff, and/or funding for acquisition of land or buildings.

**Feasibility:**

Low: Requiring complex funding beyond current foundation or government guidelines, or facing serious political or community opposition, or requiring innovative legislation.

Moderate: Promising efforts underway, or requiring funding within current government programs or foundation guidelines, or achievable prospects for community support

High: Presence of current or potential allies in wider community, and/or political and community attitudes neutral or supportive, and/or aligned with current government or foundation priorities.

---

**COMMUNITY BASED STRATEGIES**

---

**BUILD LOCAL SUPPORT FOR AFFORDABLE HOUSING IN ROGERS PARK**

Build local support for affordable housing in Rogers Park

Income levels served:  
*All*

Cost:  
*Low*

Feasibility:  
*High*

Most of the strategies described below will require understanding and support from Rogers Park community residents, organizations and leaders. Aldermen and other public officials need to know that significant numbers in the community are concerned and that there is voter support for particular strategies. With the future character of Rogers Park at stake, a community-wide effort is called for, beginning with a large scale public education effort on current housing resources, recent changes, and prospects for retaining affordable housing.

Sharing the research report with community leaders, the general public and the press is one way to do this. Conducting forums on the changing status of housing in Rogers Park and on the need to preserve existing affordable housing is another. Stories of the human costs when Rogers Park residents are displaced by rising housing markets and public actions must be the base of public advocacy. A strong public relations effort could foster new support and lead to new alliances. It will be important to enlist significant support among middle-and upper-income residents who vote in numbers disproportionate to low-income residents.

Intensive organizing among those with the greatest stake in a diverse community--current occupants of affordable housing, religious congregations, and ethnic organizations—could be the base of this effort. Arts organizations, environmental groups and agencies serving people with special needs are also potential partners.

## SUPPORT NEW OR EXPANDED COMMUNITY PLANNING PROCESS

Retaining well-maintained subsidized housing and lower-income rental housing is a prime goal of the coalition. The numbers, locations and quality maintenance of affordable housing are factors of concern to the larger community. A planning process, including affected residents and organizations, could provide a forum for the community to address these issues along with a variety of other issues of importance to maintaining a strong diverse community. Some Chicago wards have community planning boards or committees that can influence development and programming decisions of their local alderman. Although none have the power to enforce their priorities, they have varying degrees of influence depending on their strength and the extent of participation of citizens and major institutions.

Local examples are the recently formed Clark/Morse Task Force and the Alderman's 49<sup>th</sup> Ward Zoning and Land Use Advisory Committee that have representation from citizen groups; the effectiveness of community participation is limited because the meetings are not open to the public. In addition to open public meetings, the effectiveness of citizen input could be enhanced by consultation at early stages of policy development, not in reaction to fully formed proposals.

Support new or expanded community planning process

Income levels served:  
*All*

Cost:  
*Moderate*

Feasibility:  
*High*

## SUPPORT AND EXPAND GOOD NEWS PARTNERS' PROGRAMS

Support and expand  
Good News Partners'  
programs

Income levels:  
*Extremely Low Income*

Cost:  
*Low*

Feasibility:  
*Moderate*

Good News Partners (GNP), a COAHC member, has created and continues to manage 60 units of affordable cooperative housing for very low-income families, depending, for the most part, on charitable contributions. Thirty-four of these units are limited-equity cooperatives, providing ongoing affordability. Another 26 units are in standard cooperatives in which the families may, if they choose, sell their units to reap the benefits of the property's appreciated value.

Good News Partners' faith-based programs accept individuals or families on the basis of need and do not refuse persons who have severe problems. It has a good track record of helping those people become healthy, productive citizens with marketable skills, particularly in housing maintenance and management. It also has a track record of rehabilitating buildings, rescuing buildings with severe problems for standard housing.

Recent expansions of its management staff and better communication of its successes in helping individuals become healthy and productive, are helping to temper criticisms of its past management and maintenance practices.

COAHC has already adopted support for Good News Partners as one of its goals. That support could be continued and expanded, with priority given to obtaining essential support from the local alderman for further acquisitions.

## SEEK COLLABORATION WITH LOYOLA UNIVERSITY

Loyola University Chicago is the largest institution and one of the largest employers in Rogers Park, a significant landowner in Rogers Park, and is an institution publicly committed to social justice and to the poor. It is reasonable for the Rogers Park community to expect that Loyola should use its resources and influence to preserve affordable housing in a diverse community and to avoid displacement of low-income residents. In Loyola's current situation, large-scale financial investment is not feasible, but there are important roles that would not drain its financial resources.

Possible roles for Loyola include:

- ❑ Making one or more buildings from its housing inventory in Rogers Park available at reasonable prices to a non-profit developer of affordable housing
- ❑ Joining with community organizations to influence ward, city and state decisions on affordable housing issues
- ❑ Providing current information on the number and general location of students in private rental housing in Rogers Park and conducting research on the impact of student rentals on housing prices in Rogers Park, and
- ❑ Providing resources such as meeting space and technical assistance to community organizing efforts.

Seek collaboration with Loyola University

Income levels served:  
*Dependent on arrangements with Loyola*

Cost:  
*To be determined*

Feasibility:  
*Moderate*

## SUPPORT AND EXPAND TENANT ORGANIZING

Support and expand  
tenant organizing

Income levels:  
*Extremely and Very  
Low Income*

Cost:  
*Moderate*

Feasibility:  
*Moderate*

Low-income residents have the greatest stake in preserving and creating affordable housing; theirs can be a powerful voice, if growing numbers of tenants organize into a social and political force. Tenant and relocation rights are primary concerns for renters in a changing community. Setting housing goals and development criteria are concerns of tenants and owners alike. Strong and credible tenants' organizations can influence elections and insure that tenants have a place at decision-making tables.<sup>h</sup> RPCAN's training of lower-income tenants to be affordable housing advocates, already underway, is a substantial beginning for this strategy. An example in another community is the Lakeview Action Coalition. Organizing tenants of buildings in which the subsidy program must be refinanced to prevent loss of affordable housing program is particularly important.<sup>i</sup> A legal-support and advice center to help tenants, particularly new immigrants, who are not familiar with their rights regarding housing, could provide a needed service, one that complements and supports tenant organizing.<sup>j</sup>

---

<sup>h</sup> RPCAN's "Hope Platform" of 1998-99 set out housing goals for Rogers Park. Documents like this, when created with broader participation can be used to advantage during aldermanic and other elections.

<sup>i</sup> Rogers Park groups are currently under-represented in a collaborative to preserve Section 8 and combat prospects of "expiring" affordable housing contracts. Chicago Rehab Network and Tenants United for Housing are among the lead agencies; the latter provides organizing assistance with local buildings and groups.

<sup>j</sup> The Lawyers Committee for Better Housing and the Metropolitan Tenants Organization both have a history of such services in Rogers Park. Formal collaborations and funding could be explored.

## EXPAND USE OF HOUSING CHOICE VOUCHERS

Housing Choice Vouchers (HCVs), administered in Chicago by CHAC, a contract agency of the Chicago Housing Authority, utilize existing privately owned rental housing and provide a deep subsidy. Although an ordinance of the City of Chicago forbids discrimination in housing based on source of income, including Section 8 Housing Choice Vouchers, many owners of rental property refused to accept the vouchers. Owners cite administrative delays, lack of uniform standards for the required inspections of housing units, and additional paper work as reasons for refusing vouchers. To overcome these obstacles, collaboration with fair housing groups<sup>k</sup> could be considered and negotiations with CHAC on “shared benefit” programming explored.

Expand use of housing choice vouchers

Income level:  
*Extremely Low and Very Low Income*

Cost:  
*Moderate*

Feasibility:  
*High*

Community-based approaches to expanded acceptance of vouchers in Rogers Park might

- Provide listings and referrals of available units to voucher-holders (described in more detail below) or pre-screening prospective HCV tenants for placement.
- Provide incentives to overcome landlord reluctance to accept HCVs. Funds from philanthropic sources to provide up to one month’s rent to the owner could help bridge these disruptions in cash flow. The Community Investment Corporation (CIC) which has provided loans to many Rogers Park owners of rental housing strongly encourages the acceptance of HCVs. CIC could be a channel for this incentive.<sup>1</sup>

---

<sup>k</sup> “Locked Out: Barriers to Choice for Housing Voucher Holders,” Lawyers Committee for Better Housing. Chicago, IL. 2002 documents the need for enforcement of this ordinance. The Leadership Council for Metropolitan Open Communities and Metro Tenants Organization also support enforcement of this ordinance.

<sup>1</sup> Providing incentives to owners to accept vouchers when the law requires that they not discriminate on the basis of income may require some clarification of local ordinances. Still, CIC is open to such ideas and has the additional capacity for ongoing communications and technical assistance with borrowers in support of such a program.

## ESTABLISH TENANT REFERRAL CLEARINGHOUSE

Establish tenant referral clearinghouse

Income level:  
*Extremely Low, Very Low Income*

Cost:  
*Moderate*

Feasibility:  
*Moderate*

Low vacancy rates, the shortage of affordable rental units, and the difficulty in ascertaining the eligibility and screening criteria of area landlords, all combine to make apartment searches and referrals for vacancies a frustrating and complex endeavor. Consideration could be given to a Tenant Referral Clearinghouse, one that (after an intensive start-up) could operate with part-time staff to support applicants and managers.<sup>m</sup> A Tenant Referral Clearinghouse could be administered by a fiscal agent, structured simply and governed by an oversight committee representing sponsoring organizations, managers and tenants.

Going beyond referrals to tenant screening would involve special considerations and potential liabilities, but is an option to explore. Matching landlords with non-profit organizations who wish to support "master leases" of apartments for clients is another possibility.<sup>n</sup> Research is needed to determine the adequacy of existing resources for information and referrals (private placement firms and the *Reader* rental listings) and to test the receptivity of owner/managers to the concept.

---

<sup>m</sup> Organizational members of a Clearinghouse need to identify responsible owners and managers; inventory locations, rental standards, and screening criteria; and maintain a database. COAHC envisioned regular solicitations of information on vacancies and distribution of updates to organizations and public locations for posting. Communications could happen by fax, e-mail or via web site.

<sup>n</sup> Housing Opportunities for Women (HOW) of COAHC has utilized master leases for their scattered site transitional housing as a low cost alternative to development or management. HOW places clients in housing and provides support services. They are liable for rent and rules enforcement under auspices of a commercial lease with the landlord.

## SUPPORT "COMMUNITY EXPEDITER" OR OMBUDSMAN FOR RENT SUBSIDIES

In COAHC meetings, organizational representatives have considered the range of support activities necessary for owners and tenants to preserve and increase rent subsidies available in the community. This could easily be a full-time job with technical, service and organizing responsibilities or alternately as a program or collaborative effort among groups.<sup>o</sup> Such a person or program, if funded, could make strategies detailed in this report more possible by:

- ❑ Monitoring the number and location of rent subsidized tenants over time; communicating with them as appropriate
- ❑ Supporting owners' navigation of bureaucratic problems and reforms necessary to expand and preserve Section 8 and Housing Choice Voucher resources
- ❑ Providing confidential counseling and support to rent subsidy applicants for housing or current tenants facing housing problems
- ❑ Brokering solutions or mediating conflicts between owners, tenants and government agencies on rent subsidy matters
- ❑ Advocating and acting as a community resource in:
  - affordable housing preservation in "expiring use" buildings
  - use and funding of Chicago Low Income Housing Trust Fund
  - subsidy programs for reuniting families (the Norman Program)<sup>p</sup>
  - Section 8 Home Ownership program, and
  - Citywide efforts on rent subsidy policy

Support "community expediter" or ombudsman for rent subsidies

Income level:  
*Extremely Low, Very Low, and Low Income*

Cost:  
*Moderate*

Feasibility:  
*Moderate*

---

<sup>o</sup> RPCAN and RPCDC of COAHC are two of the possible groups with a history of related work necessary to pursue such a strategy. HACC also has corollary experience in job referrals, support and placement. Family Matters is a group that has facilitated communication and mediation among Rogers Park residents – important aspects of this strategy.

<sup>p</sup> The Norman Program, administered by the Department of Children and Family Services (DCFS), to avoid removal of children, can provide initial cash assistance to keep families intact for such costs as security deposits, first month's rent, utilities, appliances moving expenses and furniture. It is not an ongoing subsidy.

**ESTABLISH A SERVICE TO STRENGTHEN CAPACITY OF OWNERS OF PRIVATE, UNSUBSIDIZED AFFORDABLE HOUSING**

Establish a service to strengthen capacity of owners of private, unsubsidized affordable housing.

Income level:  
*Very Low and Low Income*

Cost:  
*Moderate*

Feasibility:  
*Moderate*

Owners of this type of housing, a vital resource for lower-income working people, face escalating property taxes and energy costs, and great difficulty in maintaining affordability. A service could be established to organize these owners for concerted action to obtain tax relief and obtain funding for energy conservation measures. COAHC member Good News Partners, the largest private supplier of housing for very low-income residents in Rogers Park, would be one beneficiary.

- ❑ A united effort among these owners could be effective in advocacy with the Cook County Assessor and/or the County Board of Review to gain property tax relief. A Chicago community organization, West Town United, has pioneered a similar effort successfully.<sup>9</sup>
- ❑ The Illinois Department of Energy and Natural Resources, a state agency, and the Center for Neighborhood Technology, a non-profit community agency, provide models for accessing funds for energy audits and energy conservation measures like insulation, weatherization, heating system upgrades, and replacement windows.
- ❑ For buildings with maintenance or management problems, this service could assist in resolving those, through direct intervention, or access to city-wide agencies and resources. The Community Investment Corporation, the Chicagoland Apartment Owners Association and others offer training and technical assistance to owner/managers of moderate-rent buildings.

---

<sup>9</sup> The WestTown United Coalition effectively argued with the Assessor that there is a “dual market” in gentrifying communities, and that in property tax appeals, valuations of long-time owners should not be compared to new acquisitions/developments. They then created a highly successful program out of assisting/sponsoring appeals of working class owners. The County Board of Review acts as a second level of property tax appeals. As elected officials they respond to requests for “tax talks”, talks that often lead to successful relief for community organization constituents.

## **PARTNER WITH COMMUNITY DEVELOPMENT CORPORATIONS**

Community based non-profit Community Development Corporations (CDCs) have developed and preserved thousands of units of affordable housing in Chicago, an activity which is becoming more difficult with time.<sup>†</sup> As funding for housing development became more complex in the last decade, CDCs have moved beyond bricks and mortar to engage in community planning, organizing and advocacy, providing technical assistance and linking residents to social services and economic opportunities. At times, they act as intermediaries for loans and grants for area owners.

### Partner with CDCs

Income level:  
*Dependent on  
available programs  
and resources*

Cost: *High*

Feasibility:  
*Low to Moderate*

Rogers Park has a recently established CDC, the Rogers Park Community Development Corporation (RPCDC), which has completed development of a large affordable housing project for seniors. Alone, or in partnership with city-wide developers, RPCDC can be a major resource for planning and implementing some of the strategies suggested in this paper.<sup>§</sup> Though difficult, prospects for winning the competition for funding of traditional and non-traditional CDC initiatives may be maximized in Rogers Park with

- ❑ Political support from existing and new organizations;
- ❑ Targeted benefits for seniors, Hispanics, new immigrants, persons with disabilities and relocated resident families;
- ❑ Projects related to transit stations, schools, parks, Tax Increment Financing Districts or other initiatives that further broadly accepted community planning goals.

---

<sup>†</sup> In CURL/COAHC Development Primer and Community Strategies Seminars, members learned of complexities/long timelines required to achieve low rents by “layering” financing/funding and learned of challenges to assert control/leverage in “partnership projects”. Facilitators: Larry Pusateri and Bob Brehm, Feb 2000 & April 2000

<sup>§</sup> In COAHC strategic planning session, 10/11/2000, members suggested inviting in a major non-profit developer into the area as a partner or as substitute developer/manager to rescue troubled properties.

## EXPLORE USE OF TAX INCREMENT FINANCING DISTRICTS FOR AFFORDABLE HOUSING

Explore use of tax increment financing districts for affordable housing

Income levels:  
*Dependent on specific plans*

Cost:  
*Low*

Feasibility:  
*Moderate*

Tax Increment Financing Districts (TIFs) are enacted by the city of Chicago in defined locations. For 23 years the amount of incremental increase in property taxes may be used for a variety of public purposes, including land acquisition, privately sponsored commercial, industrial and residential developments, childcare facilities improvements and job training that contribute to economic development in the area.

Recent state legislation has made TIFs more usable in affordable housing projects and has strengthened the potential role of community participation in design and monitoring. The local alderman plays a key role in the establishment of a TIF and in the use of funds it generates.<sup>†</sup>

Some TIFs have set aside funds to match loan moneys for residential improvement (Neighborhood Investment Fund) or commercial renovation (Small Business Investment Fund). Allocating TIF funds for rent subsidies in newly developed housing is possible but untested.<sup>‡</sup> The broader application of the powers of eminent domain that accompany TIFs potentially could be used to acquire land or buildings for housing development, helping to mitigate one of the major obstacles to affordability in programs such as New Homes for Chicago.

Information on budgets and amounts of TIF increment funds available to support community or developer proposals is publicly available, including particulars on Rogers Park's Howard Street and Clark/Ridge TIFs.

---

<sup>†</sup> The Chicago Department of Planning and Development and the Community Development Commission both play prominent roles in TIF reviews and approvals; both typically defer to the informal "pocket veto" powers of aldermen.

<sup>‡</sup> Chicago's Dept. of Housing is open to exploring TIF allocations for rent subsidies; the Chicago Low Income Housing Trust Fund is willing to administer such a program. Political and legal feasibility is in question. In the worst case, further amendments to state law might be required. CURL Concept Paper, 2000 (Rohrbeck)

## **FOSTER LIMITED EQUITY CO-OPERATIVES**

Limited equity housing co-operatives operate on a principle similar to that of land trusts: members of the co-operative own a share entitling them to use their housing unit, pay a share of common expenses through an assessment determined democratically, and are limited in sale prices to a modest increase. Rogers Park has several limited equity co-operatives that serve modest income working families. Starting new ones would require support from lenders or start-up capital. The Chicago Mutual Housing Network provides support and technical assistance to nascent and established cooperatives and is organizing a campaign for expansion of this form of housing.

Foster limited  
equity co-  
operatives

Income levels:  
*Low Income*

Cost:  
*High*

Feasibility:  
*Low or Moderate  
depending on  
extent of public  
subsidy required.*

## IMPROVE EFFECTIVENESS OF SERVICES FOR FAMILIES AT RISK OF DISPLACEMENT

Improve effectiveness of services for families at risk of displacement

Income levels served:  
*Extremely Low and Very Low Income*

Cost:  
*Moderate*

Feasibility:  
*Moderate*

Case management for individuals and families at risk of displacement is particularly challenging when there is a shortage of affordable housing. It is harder still when there is a weak understanding of what housing and services are available, and how and where they can be accessed. Collaborative relationships among social service agencies may enhance efforts to connect people with quality housing and effective programs.

Several tools mentioned earlier in this report have the potential of improving the effectiveness of service delivery. The tenant referral clearinghouse could address the knowledge gap of what housing is available and whether a client might be eligible. The Seabury Foundation is funding an Individual Development Accounts (IDA) program administered by the Mid-America Leadership Foundation. This is a new but credible resource, particularly if expanded foundation support could be obtained.

Some programs are highly effective and may simply need supplemental funding and/or collaborative arrangements for better utilization. Examples include the FEMA-funded Emergency Rental Assistance Program, Metro Family Services Consumer Counseling Program and STRIVE’s workforce development and placement programs.<sup>v</sup>

---

<sup>v</sup> COAHC member HACC is a FEMA delegate agency. They provide up to two months rent for a limited number of families experiencing short term, but manageable, social and economic disruptions. Social service agencies and thousands of beneficiaries throughout Chicago appreciate this program. Enlisting foundation support to supplement this funding may be possible, particularly if it were seen as a vehicle to improve the effectiveness of both social service and housing provision. Metro Family Services offers budgeting/financial management classes, counseling and credit management services for people in financial need. Their services are fully subscribed, but with dedicated financial support, they have been open to focusing assistance in one neighborhood or to clients of specified agencies. STRIVE, a Chicago agency with offices in Rogers Park, focuses on job readiness training and support of the chronically unemployed. With referrals from local groups and supplemental funding, however, they or similar agencies could extend their career path development services to the underemployed as well – people who need to increase their income to avert future displacement.

For persons or families who are being displaced, effective social services become more problematic. This is particularly true for agencies that serve clients only from a specific geographic area who are unable to maintain contact when a family moves out of the area. Collaborations with social service agencies serving ethnic populations or special needs groups, such as Apna Ghar and Access Living, are a possibility. A number of these are listed in Loyola University's Directory of Service Providers and Community Based Organizations in Rogers Park, Edgewater and Uptown and in the city's directory of delegate agencies.

## ASSIST LOW-INCOME TENANTS TO BECOME HOMEOWNERS

Assist low-income tenants to become homeowners

Income levels:  
*Extremely Low, Very Low, and Low Income*

Cost:  
*Moderate*

Feasibility:  
*High, but for limited numbers*

Assuming that condominium conversions continue, a strategy for helping low-income single persons and families to become home-owners is very desirable. A new program for the use of Housing Choice Vouchers to make mortgage payments has promise of serving very low-income households. The Purchase Price Assistance Program of the City of Chicago, used in tandem with the New Homes for Chicago Program, can serve moderate income households. Both programs require extensive counseling and training of potential home owners; such programs exist in RPCDC and other HUD-certified counseling agencies, CHAC and in some social agencies.

The Seabury Foundation now provides three-to-one matched savings in Individual Development Accounts (IDA) for some low income Rogers Park residents. Support is conditioned on completing financial, life skill and ownership training. The IDA program is a logical complement to this strategy and deserves supplemental funding. Rogers Park organizations, which largely serve diverse populations, need to access increased funding from the City intended for “new immigrants” and foreign born residents who need such programs to be tailored to “language and culture needs”.<sup>w</sup>

---

<sup>w</sup> RPCDC is a certified housing counseling agency. HACC is lead agency in Seabury IDA collaborative effort. Successful “self-sufficiency” programs require further study for lessons learned to inform strategic planning. The City’s “Action Plan on Housing Solutions” suggests priority for greater funding for ethnic groups administering ownership programs. The alderman can play a key role in helping local groups capture some of this shifting allocation.

## DEVELOP STRATEGIES TO "SLOW TRACK" MULTI-UNIT DEVELOPMENTS AND CONDO CONVERSIONS

In a gentrifying community like Rogers Park, a strategy to require "slow tracking" of real estate development, including condominium conversions, might be considered desirable. In such an approach, various means could be employed that force a deliberate consideration of the advantages and disadvantages of proposed private or publicly supported developments. Ideally, non-profit community organizations, legislators and government department administrators would embrace this strategy. However, total agreement may be unlikely, and opposition from private real estate interests should be expected. More than most, these strategies require strong capacity for community organizing.

Several of the strategic options mentioned in this report could be components of "slow tracking" approach, including project reviews by community planning committees (enabled by informal powers of the alderman); negotiations with community advocates for required or voluntary set-asides; orientations on Housing Choice Vouchers and fair housing laws, and the like. Additional ideas and options that require further research follow below:

- ❑ Legislate or, with the informal powers of the alderman, implement a requirement for permit applicants to submit a Displacement Impact Report.<sup>x</sup>
- ❑ Use the Freedom of Information Act (FOIA) to document the development process for properties in the community and prompt City officials to encourage dialogue between community organizations and private owners.<sup>y</sup>

---

<sup>x</sup> This report could include rent roll information for the current period and preceding year, and contain projections for the subsequent period. It could document evictions for cause, lease non-renewals, rent changes and move-outs within 90 days of increases. Owners might identify (with guiding materials) steps they may take to mitigate problems with relocation or displacement, as well as community referrals they might make for affected tenants. These reports could provide a database on displacement that is otherwise elusive. It could raise awareness of legislators, administrators and building owners. It could inform policy and organizing initiatives on a building or community basis. It could be the basis of further research.

<sup>y</sup> This tool could be used to document pending or approved requests for building permits, zoning variances, alley access permits and more. It could facilitate participation at public hearings often  
*(footnote continued)*

Develop strategies to "slow track" multi-unit developments and condo conversions

Income level:  
*All*

Cost:  
*Moderate*

Feasibility:  
*Dependent on community organizing capacity*

- COAHC members should consider getting on City Council and committee mailing lists, be aware of upcoming agendas, and red-flag pending decisions on Rogers Park matters to foster community involvement.

---

missed by community organizations. The irritation and labor-intensity of responding to FOIA requests could lead to positive connections between owners and community or pave the way for routine reporting on such matters by the departments or alderman.

**ENHANCE COMMUNITY CAPACITY TO SERVE AND ENGAGE RESIDENTS OF DIVERSE BACKGROUNDS**

The high percentage of foreign-born residents, racial and ethnic minorities in Rogers Park has real implications for how organizations, including COAHC members, do their work and engage people in housing and related programs. All organizations serving Rogers Park might want to (1) review and revise evaluation and planning activities within the context of current and prospective populations served, and (2) adjust routine practices to reflect increased cultural sensitivity and inclusiveness in the organization. Changing routine organizational behaviors may be as hard as adjusting major goals and objectives, including how meetings are announced and held, how translation services and communications take place, and how and when services are delivered. Groups that choose not to make adjustments might consider organizational collaborations with ethnic associations and volunteers that can offset this capacity deficit.

Enhance community capacity to serve and engage residents of diverse backgrounds

Income level:  
*Extremely Low, Very Low, Low and Moderate Income*

Cost:  
*Low*

Feasibility:  
*Moderate*

---

**CITY/STATE STRATEGIES**

---

**IMPROVE ADMINISTRATION OF HOUSING CHOICE VOUCHERS**

Improve  
administration of  
Housing Choice  
Vouchers

Income level:  
*Very Low*

Cost:  
*Low*

Feasibility:  
*High*

COAHC could continue or expand on current efforts to advocate for improved administrative procedures by CHAC. This could include the assignment by CHAC of one or more inspectors to Rogers Park, as a measure to improve consistency in inspections, expedited payment of owner's share of rent and prompt resolution of concerns and complaints. Rogers Park agencies could advocate or collect evidence for more effective enforcement by the Chicago Commission on Human Relations of the Chicago ordinance forbidding discrimination on the basis of source of income. The ordinance has been enforced in individual cases but widespread compliance has not been achieved. Individual agencies might choose to achieve this goal by stressing enforcement of the ordinance, others by concerted advocacy for improved procedures as noted earlier. These approaches could, if implemented carefully, be complementary.

## ESTABLISH COMMUNITY LAND TRUSTS

A Community Land Trust (CLT) is a private, not-for-profit organization established to acquire, hold and develop property for the benefit of the community and to provide affordable, long-term access to land and housing for residents with modest incomes. A CLT attempts to meet the needs of those priced out of the housing market, reduce speculative and absentee ownership and preserve long-term availability. Residents have control of particular units, with future sale prices limited to original prices plus a pre-determined inflation or appreciation factor. The CLT has an option to repurchase and resell the unit at this price. This maintains housing costs at a level below market rates; as market values escalate the housing becomes increasingly more affordable in relation to the local market. Advocates argue that CLTs and limited equity co-ops make more efficient use of public subsidies, because of their long term effect, than other housing programs.<sup>z</sup>

Establish  
Community  
Land Trusts

Income levels:  
*Dependent on  
arrangements*

Cost:  
*High*

Feasibility:  
*Low*

High real estate prices in communities like Rogers Park are a barrier to creating a large land trust; however, a land trust could begin with a single building. The Institute for Community Economics (ICE), a national non-profit advocate and facilitator of community land trusts, reports that it is in discussion with officials of the City of Chicago concerning a city-wide program to foster land trusts. They caution that a city program would likely be targeted on vacant land and land owned by the Chicago Housing Authority.

Even though CLTs are typically used as a vehicle for acquisition and development of land and buildings by local governments, consultants affiliated with ICE have stated

---

<sup>z</sup> Michael Brown, Burlington Associates in Community Development, [www.burlingtonassociates.com/published](http://www.burlingtonassociates.com/published)

that CLTs could also be structured as membership organizations.<sup>aa</sup> Existing owners of property might join the CLT and agree to resale price restrictions, provided there were attractive benefits of membership.<sup>bb</sup> Regardless of the approach, CLTs are more likely to succeed in Chicago if they cover a broad geographic area and enjoy lender, donor and political support. A potential community land trust program in Highland Park is being studied by its city council.

---

<sup>aa</sup> Chicago Rehab Network Valuing Affordability Conference, 2001

<sup>bb</sup> Even a few of the following benefits could raise excitement about a membership based CLT: (1) Property tax abatements or special reduced assessment classification (2) Tax credits for property sales/transfers to CLTs (3) Priority funding/financing status from Chicago's Department of Housing mortgage and rent subsidy programs (4) Requirement for CLT membership in TIFs or city-designated redevelopment areas (5) Inclusion of affordable units in CLT derived from private development "set-asides" (6) Priority access to resident-members to social service supports and resident service programs (7) Mandating CLT land ownership as part of New Homes for Chicago Program (8) Umbrella membership of Chicago CDCs and non-profit housing supporters (9) Congressional or state-funded allocations for CLT administration. Michael Brown, Burlington Associates in Community Development.LLC

## FOSTER REDEVELOPMENT OF MIXED COMMERCIAL AND RESIDENTIAL PROPERTIES

Mixed-use buildings, those with commercial spaces at street level and rental residences on upper floors, are common in Chicago and in Rogers Park. The residential units are typically not subsidized, but often provide affordable rentals for lower-income working families. Many of the commercial spaces need upgrading to meet current standards, but renters of commercial space are reluctant to invest without certainty of long-term tenure. Owners are often unable or unwilling to invest in modernization of both residential and commercial space.<sup>cc</sup>

A city-wide program to encourage and subsidize up-grading both commercial and residential units, with a requirement that a stated proportion of the residential units be reserved for affordability to very low-income residents, through Housing Choice Vouchers, or Low-Income Housing Trust Funds, could be initiated.

Foster redevelopment of mixed commercial and residential properties

Income level:  
*Extremely Low, Very Low, Low, and Moderate Income*

Cost:  
*Low*

Feasibility:  
*Uncertain; dependent on further exploration*

---

<sup>cc</sup> The Chicago Association of Neighborhood Development Organizations (CANDO) is very concerned about this issue and may be a possible city-wide collaborator of policy/programming initiatives.

## **INCREASE FUNDING FOR CHICAGO'S LOW INCOME HOUSING TRUST FUND**

Increase funding  
for Chicago's  
Low Income  
Housing Trust  
Fund.

Income levels:  
*Extremely Low,  
Very Low and  
Low Income*

Cost:  
*Low*

Feasibility:  
*Moderate,  
dependent on  
city-wide support*

This fund is unique in Illinois in that it provides rent subsidies using a simple and effective strategy. It is highly regarded by tenants, managers and private owners. Quarterly payments are made to owner/managers who reduce rents of income eligible tenants. The subsidies are funded at present by required contributions from certain large developments, a limited source and by periodic infusions by the City to allow for routine increases for property owners. Additional funds are needed.<sup>dd</sup> The City has sought unsuccessfully to secure new, dedicated sources of support from real estate transfer taxes. It's possible that tax increment proceeds from Rogers Park TIFs could be reserved for owners where TIFs are located. This would enable mixed-income housing where it otherwise would not be feasible. In the Chicago Community of Uptown, the Alderman is beginning to use her "pocket veto" leverage over new developments to secure payments to the trust fund.

---

<sup>dd</sup> The Chicago Coalition for the Homeless is a major advocate and potential collaborator for enhancing the Chicago Trust Fund.

**PRESERVE AFFORDABILITY IN BUILDINGS WITH EXPIRING SUBSIDY CONTRACTS**

The need to organize tenants in these buildings was stated above. A companion strategy is to participate in city, state and national coalitions focused on retaining affordability in project-based Section 8 and tax-credit subsidized buildings. The lead in Chicago and Illinois has been taken by the Chicago Rehab Network and Tenants United for Housing.

Preserve affordability in buildings with expiring subsidy contracts

Income level:  
*Extremely Low, Very Low, and Low Income*

Cost:  
*Low*

Feasibility:  
*High*

## **SECURE SUPPORT FOR INCLUSION OF AFFORDABLE UNITS IN NEW CONSTRUCTION AND CONDOMINIUM DEVELOPMENTS**

Secure support for inclusion of affordable units in new construction and condominium developments

Income level:  
*Dependent on arrangements*

Cost:  
*Low*

Feasibility:  
*Low for city-wide effort; moderate for local efforts, depending on strong community support*

Several Chicago aldermen now condition approvals of proposed market-rate housing developments on the inclusion of some proportion of affordable units. Enacting inclusionary zoning city-wide is a goal of a broad coalition, one that COAHC members could join and support. Effective advocacy with the local aldermen could achieve the same purpose for Rogers Park.

In some jurisdictions, developers are given the option to make “in lieu of” payments as an alternative to setting aside a portion of units for low-income housing.<sup>ee</sup> This provision could be included in an inclusionary housing strategy and could provide funding for other potential strategies.

---

<sup>ee</sup> See Appendix D for models of inclusionary housing from around the country.

---

NATIONAL STRATEGIES

---

**SEEK SUPPORT FOR PASS-THROUGH GRANTS FOR CONDO OWNERSHIP**

The New Homes for Chicago Program, detailed in Appendix 5 of the Gentrification Report, makes grants to reduce development costs and provide affordable home purchase for households with moderate income. This program is funded by federal CDBG and HOME, programs that must serve a variety of public needs. A dedicated stream of federal funding is needed to expand this program.

The program is especially difficult in high cost<sup>ff</sup> communities that lack vacant land. A variation on this write-down strategy could be employed by passing through CDBG and HOME grants directly to eligible low-income families for the purchase of moderately priced housing. Dramatic savings are possible compared to traditional administration and layered development strategies.

The authors suggest that \$75,000 grants be dedicated to reduce the mortgages for each home purchased on the private market<sup>gg</sup>. HUD Certified Housing Counselors<sup>hh</sup> would prioritize lower income eligible buyers to receive the grants, subject to buyers' completion of homeowner training and the condominium or coop property passing quality standards. (This could be a companion strategy to “transitioning tenants to ownership” described earlier.)

Seek support for pass-through grants for condo ownership

Income levels:  
*Low*

Cost:  
*Low*

Feasibility:  
*Low for government, moderate for foundation support.*

---

<sup>ff</sup> All Chicago communities are considered “high cost” in general because of restrictive building codes and high labor costs, especially with ‘prevailing wages’ required in federally funded projects. North lakefront communities like Rogers Park are additionally burdened because of burgeoning real estate values and high costs of property acquisitions, including those developments intended for affordable housing.

<sup>gg</sup> “Housing Problems & Solutions” Concept Paper, CURL/Rohrbeck 8/2001

<sup>hh</sup> HUD Certified Housing Counselors typically work for community development corporations, including COAHC’s RPCDC. HUD has increasingly relied on them to support programming and prevent FHA/VA mortgage foreclosures.

HUD funding would be required in the long run, but national foundations might entertain support of a pilot community strategy in Rogers Park if it fostered subsequent dialogue that could lead to HUD support. The comparisons between development-oriented and private market approaches might be attractive to funders.

## INCREASE FUNDING FOR HOUSING CHOICE VOUCHERS

Federal programs for affordable housing have become more limited in recent years. Housing Choice Vouchers and Low Income Housing Tax Credits are the significant remaining programs that are dedicated to affordable housing. HOME and Community Development Block Grant funds may include affordable housing as determined by the local jurisdiction. After several years of modest increases in the number of vouchers funded by Congress, the current Congress has held the level steady. Advocates for housing subsidies have not been strong enough to achieve needed increases in this program. Joining with advocacy groups like the National Low Income Housing Coalition would strengthen the voices for affordable housing and, potentially, provide greater resources for affordable housing throughout the nation.

Increase funding for  
Housing Choice  
Vouchers

Income level:  
*Very low*

Cost:  
*Low*

Feasibility:  
*Low in current  
political climate*

## **SUPPORT PROPOSED NATIONAL AFFORDABLE HOUSING TRUST FUND**

In order to supplement and stabilize federal support for housing subsidies, the National Low Income Housing Coalition is seeking support for federal legislation to create a National Affordable Housing Trust Fund. The initial goal is to fund, produce, rehabilitate and preserve 1,500,000 units of affordable housing by 2010. The initial source of capital would be excess reserves of the Federal Housing Authority (FHA) and General National Mortgage Agency (GNMA). The proposal would give priority to rental housing affordable to households with incomes below 30% of area median incomes. The federal funds would be matched, at least in part, by state funds. Another provision would require that funded projects be mixed-income.

Legislation has been introduced in both houses of Congress, with multiple but not majority sponsorship. Sponsors are prepared to continue efforts toward passage, if not successful this year.

Support proposed  
National  
Affordable  
Housing Trust  
Fund

Income levels:  
*Potentially all*  
*income levels*

Cost:  
*Low*

Feasibility:  
*Moderate,*  
*dependent on*  
*strength of*  
*national*  
*coalition*

---

## SUMMARY

---

No one strategy can meet all of COAHC's goals. The choice of strategies for preserving affordable housing and avoiding displacement of low-income families in Rogers Park, lies, in the first instance, with members of COAHC, and ultimately with the community of Rogers Park and its elected representatives. Some strategies could be implemented promptly, others would require extensive planning, or large financial resources, or changes in policy or practice by key actors.

Individual COAHC agencies could take the lead on specific strategies; others would require collaborative effort. The authors suggest four elements of a comprehensive approach to foster dialog, prioritize options and develop a comprehensive plan.

**1. Education and outreach to promote understanding of affordable housing and its importance to Rogers Park's continued diversity are essential to developing social and political will for effective action.**

Related strategies include distribution of the research report, presentations to religious and community groups, expanding tenant organizing and community planning efforts, and leveraging opportunities for collaboration with Loyola University.

**2. Preserving existing affordable housing in Rogers Park and protecting current low-income residents from displacement must be a concurrent priority.** Unchecked, continued losses of subsidized and affordable housing will dwarf any innovative efforts to create new affordable housing.

Several strategies address this priority: strengthening Good News Partners and other private providers of affordable housing; establishing services for apartment seekers and those at risk of displacement; insuring continuation or renewal of subsidy contracts in existing buildings; securing better administration and wider acceptance of Housing Choice Vouchers, and enabling tenants to become homeowners.

**3. Engage, along with others, in fresh thinking and development of non-traditional approaches to housing and community development.** Net gains in affordable housing require a paradigm shift. Traditional housing development strategies, layered financing from several subsidy programs, are often proposed as solutions for gentrifying communities nationwide. These strategies can have minimal benefit in Rogers Park because of high acquisition and maintenance costs and dearth of available vacant land. Even if such developments were not expensive, complex and time-consuming, their feasibility would be questionable: private debt service and maintenance costs exceed what low-income residents can pay through rents or mortgages. Difficult as it may be, new ways to capture rent subsidies and intervene in real estate markets are required.

Strategies referenced in this report to develop multi-unit buildings by community development corporations, co-operatives or institutional partnerships (Loyola University), may offer opportunities, but they face the harsh realities just cited. Large increases in support from the federal government, such as are suggested by the campaign for a National Affordable Housing Trust Fund of the National Low Income Housing Coalition, would be needed to make this approach to affordable housing viable for significant numbers.

Strategies to increase the use of Housing Choice Vouchers in Rogers Park through improving administration of vouchers, increased enforcement of anti-discrimination laws, campaigns for voluntary compliance with those laws, and/or incentives to owners to accept vouchers have the great advantage of using existing resources. Chicago's Low Income Housing Trust Fund provides an added resource for rent subsidies. The community expediter concept would support both tenants' and owners' needs.

Transitioning tenants to owners is a strategy in place that offers opportunities for limited numbers. Slow-tracking and inclusionary housing set-asides are two methods to require private developers to limit profits in order to preserve or provide affordable housing.

**4. COAHC should take full advantage of all funding and political opportunities that are consistent with its goals and urge the community to join in support.**

Some strategies may fall short of the ideal but are otherwise politically or financially viable.

Among the strategies offered, Tax Increment Financing Districts are in political favor. Tenant-to-owner strategies have both public and private foundation support. Organizations that benefit ethnic constituencies have prospects for increased funding; COAHC and member agencies could benefit by stressing to donors their services to minorities and immigrants.

Development of Community Land Trusts, widely used in other places, would be a novel, but potentially effective strategy for Chicago. Mixed-use buildings, which house many low-income tenants, are a city-wide concern, creating opportunities for collaborative organizing and policy development.

Although some strategies can be pursued within Rogers Park, most will require support and action at city, state and/or federal levels, support that can come only from broad coalitions of citizens groups.

There is growing interest and activity among advocacy organizations and public officials to address the region-wide crisis in the shortage of affordable housing. So far, there has been little focus on the loss of affordable housing in gentrifying neighborhoods, even though several Chicago neighborhoods—Bronzeville, Logan Square, West Town, Uptown—along with Rogers Park, face these issues.

Communication and collaboration among these neighborhoods to seek common approaches and to place gentrification on city-wide and broader agendas is strongly recommended.

Rogers Park residents know the benefits of reinvestment and support continued revitalization. They also have witnessed the negative consequences of gentrification—the negative effects on those most vulnerable to rapid community

change, the risks to Rogers Park's treasured diversity. Few, if any, of the strategies presented here will garner unanimous support. Many will be difficult to implement.

**But the stakes are high. Realizing the vision of a Community of Opportunity—a just community, economically, racially and ethnically diverse—will take bold leadership, tireless commitment, willingness to take risks and strong collaborative action.**

# APPENDICES

---

## **APPENDIX A: COAHC VISION STATEMENT**

---

The Community of Opportunity Affordable Housing Coalition believes that one of the strengths of the Rogers Park neighborhood lies in its cultural and economic diversity, which is highly valued by our community. The Coalition also recognizes that left unchecked, market forces often threaten those residents who are least able to compete economically in a neighborhood facing the pressures of gentrification. For this reason, the Coalition brings together neighborhood organizations, residents, tenants, homeowners and landlords with the goal of supporting the preservation and creation of quality affordable housing for families and individuals at risk of displacement. The Coalition works together to create opportunities for all, with information, resources and support, encouraging all residents to fully participate in the process of preserving the cultural and economic diversity of our community.

---

**APPENDIX B: AFFORDABLE INCOME DEFINITIONS**

---

| Household Income<br><i>Family of four</i><br><u>Eligibility</u> | <u>Income Category</u>             | <u>Notes/Program</u> |
|---|------------------------------------|----------------------|
| 0-\$15,000<br>Need  | COAHC Target                       | Local Standard of    |
| \$15-30,000<br>Need   | COAHC Target                       | Local Standard of    |
| 0- 30% of AMI   | Extremely Low Income <sup>ii</sup> |                      |
| 30% to 50% of AMI   | Very Low Income                    |                      |
| 50% to 80% of AMI   | Low Income                         |                      |
| 80%-120% of MSA   | Moderate Income                    |                      |

---

<sup>ii</sup> This and following definitions are those of the American Housing Survey, 1999

---

## APPENDIX C: HOUSING AGENCIES AND COALITIONS

---

### **CHICAGO (INCLUDES STATE AND NATIONAL AGENCIES WITH OFFICES IN CHICAGO)**

**Access Living of Greater Chicago** Access Living provides services, planning and advocacy for persons with disabilities. It has a strong interest in accessible and affordable housing.

310 South Peoria  
Chicago, IL 60607  
312 226 5900

[www.community2000.org/about/local-partners](http://www.community2000.org/about/local-partners)

**Business and Professional People for the Public Interest (BPI)** BPI is a not-for-profit public interest law firm with a strong interest in affordable housing. It does research and planning for potential litigation and state legislation to increase supplies of affordable housing.

25 East Washington  
Chicago, IL 60602  
312 641 5570  
[www.bpichicago.org](http://www.bpichicago.org)

**CHAC** CHAC is the non-profit agency contracted by the Chicago Housing Authority to administer the Housing Choice Voucher Program (Section 8) in Chicago.

1000 South Wabash  
Chicago, IL 60608  
312 986 9400

**Chicago Coalition for the Homeless (CCH).** CCH organizes and advocates to prevent and end homelessness in Chicago.

1325 South Wabash, #205  
Chicago, IL 60605-2521  
[www.chicagohomeless.org](http://www.chicagohomeless.org)

**Chicago Equity Fund (CEF)** CEF and affiliates develop and manage housing projects for low-income residents, acting as syndicator of federal Low Income Housing Tax Credits.

1 East Superior  
Chicago, IL 60611  
312 943 2266

**Chicago Housing Authority (CHA)** CHA administers publicly owned housing for low-income families and seniors throughout the City of Chicago.

626 West Jackson Boulevard  
Chicago, IL 606  
312 791 8500  
[www.thecha.org](http://www.thecha.org)

## **CITY OF CHICAGO**

**Department of Buildings** This department issues building permits and conducts inspection and enforcement for compliance with City building codes.

121 North LaSalle Street  
Chicago, IL 60602  
312 744 3400

**Department of Housing (DOH)** DOH administers City programs and funds to foster home-ownership and rental housing for low-and moderate-income households.

318 South Michigan  
Chicago, IL 60604  
312 847 9000  
[housing@cityofchicago.org](mailto:housing@cityofchicago.org)

**Department of Planning and Development** This department creates land-use plans, evaluates planned developments and reviews zoning amendments and special uses.

121 North LaSalle  
Chicago, IL 60602  
312 744 3489

**Department of Zoning** This department is responsible for administering the City's zoning ordinance and reviewing requests for zoning variances.

121 North LaSalle  
Chicago, IL 60602  
312 744 9042

**Chicago Rehab Network (CRN)** CRN is a city-wide coalition of neighborhood-based nonprofit organizations working to create and preserve affordable housing in Chicago and the region.

53 West Jackson Boulevard, #739  
Chicago, IL 60604  
312 663 3936  
[www.chicagorehab.org](http://www.chicagorehab.org)

**Chicago Mutual Housing Network (CMHN)** CMHN advocates, organizes and provides technical assistance and training for moderate-and low-income cooperatives.

1741 N. Western Avenue  
Chicago, IL 60647  
773 278 9210  
[www.chicagomutual.org](http://www.chicagomutual.org)

**Corporation for Supportive Housing (CSH)** CHS helps build housing for homeless and disabled people through technical assistance and providing financing for housing development.

1 North LaSalle, 12<sup>th</sup> Floor  
Chicago, IL 60602  
312 360 0400  
[www.csh.org](http://www.csh.org)

**Illinois Department of Children and Family Services (DCFS)** DCFS is a cabinet level state agency dedicated to serving children and families, particularly those with low-incomes.

100 West Randolph  
Chicago IL 60601  
312 814 4650  
[www.state.il.us/dcfs](http://www.state.il.us/dcfs)

**Illinois Housing Development Authority (IHDA)** IHDA provides financing for affordable housing directly in a multi-family mortgage loan program and administers federal HOME and Low Income Housing Tax Credit programs.

401 North Michigan  
Chicago, IL 60611  
312 836 5361  
[www.ihda.org](http://www.ihda.org)

**Lawyers Committee for Better Housing (LCBH)** LCBH assists lower income Chicago tenants to protect their rights to affordable housing.

407 South Dearborn  
Chicago, IL 60605  
312 347 7600  
[www.state.il/dhr/housenet/private/lawyers](http://www.state.il/dhr/housenet/private/lawyers)

**Leadership Council for Metropolitan Open Communities (LCMOC)** LCMOC works to end discrimination in housing and advocates and organizes for affordable housing throughout the region.

111 West Jackson, 12<sup>th</sup> Floor  
Chicago, IL 60604  
312 341 5678  
[www.lcmoc.org](http://www.lcmoc.org)

**Local Initiatives Support Corporation (LISC)** LISC provides grants, loans and equity investments to community development corporations for neighborhood development.

1 North LaSalle, 12<sup>th</sup> Floor  
Chicago, IL 60602  
312 360 0800  
[www.liscnet.org](http://www.liscnet.org)

**Metropolitan Planning Council (MPC)** MPC promotes and implements planning and development policies for the Chicago region through policy analysis, outreach and advocacy in partnership with public officials and community leaders. It has a strong interest in affordable housing.

25 East Washington Street, #1600  
Chicago, IL 60602  
312 922 5616  
[www.metroplanning.org](http://www.metroplanning.org)

**Metro Tenants Organization (MTO)** MTO organizes, educates and empowers tenants to have a voice in decisions affecting affordability and availability of decent and safe housing.

2125 West Union Street  
Chicago, IL 606  
773 292 4980  
[www.tenants-rights.org](http://www.tenants-rights.org)

**National Equity Fund (NEF)** NEF syndicates federal Low Income Housing Tax Credits to create affordable housing throughout the nation; it has a strong presence in Chicago.

547 West Jackson Boulevard  
Chicago, IL 60661  
312 360 0400  
[www.nefinc.org](http://www.nefinc.org)

**Neighborhood Housing Services of Chicago (NHS)** NHS works to rebuild disinvested and deteriorated neighborhoods in Chicago

747 North May  
Chicago, IL 606  
312 738 2227

[www.nhschicago.org](http://www.nhschicago.org)

**Statewide Housing Action Coalition (SHAC)** SHAC is a coalition of housing advocacy groups focused on defining and building support for a legislative agenda to increase affordable housing.

202 South State Street  
Chicago, IL 606  
312 939 6074

[www.statewidehousing.org](http://www.statewidehousing.org)

**Woodstock Institute** Woodstock Institute promotes community reinvestment and economic development in lower-income communities through research and advocacy. It is a resource on neighborhood lending activity.

407 South Dearborn  
Chicago, IL 60605  
312 427 8070

[www.woodstockinst.org](http://www.woodstockinst.org)

**U. S. Department of Housing and Urban Development (HUD)** This Department provides funding for a variety of housing programs, including public housing, Housing Choice Vouchers, HOME and CDBG, and directly administers others including Project-based Section 8. Its office in Chicago includes two Community Outreach Specialists as liaisons to community groups and individuals.

77 W. Jackson  
Chicago, IL 60604  
312 353 7143

[www.hud.gov](http://www.hud.gov)

## **UNITED STATES**

**Center for Community Change (CCC)** CCC is committed to reducing poverty and helping people develop the skills and resources they need to insure strong, healthy communities.

1000 Wisconsin Avenue, NW  
Washington, DC 20007  
202 342 0519  
[www.communitychange.org](http://www.communitychange.org)

**Institute for Community Economics (ICE)** ICE is a national community development organization promoting economic justice through community land trusts and community investment.

57 School Street  
Springfield, MA 01105-1331  
413 746 8660  
[www.icecle.org](http://www.icecle.org)

**National Alliance for Fair Housing (NFHA)** NFHA works to eliminate housing discrimination and ensure housing opportunities for all people. NFHA addresses all forms of discrimination because of race color, national origin, sex disability and familial status.

1212 New York Avenue, NW, #525  
Washington, DC 20005  
202 898 1661  
[www.nationalfairhousing.com](http://www.nationalfairhousing.com)


**National Low Income Housing Coalition (NHLIC)** NHLIC educates, advocates and organizes to ensure decent affordable housing within healthy neighborhoods. It provides current information, formulates policy and educates the public on housing needs and strategies. Its weekly e-mail update for members is a valuable resource on housing policy issues.

1012 Fourteenth Street, NW, #612  
Washington, DC 20005  
202 662 1530  
[www.nlihc.org](http://www.nlihc.org)

---

**APPENDIX D: CHARACTERISTICS OF INCLUSIONARY  
HOUSING PROGRAMS**

---

See following  es.

### Examples of Inclusionary Housing Program Characteristics

|                                    | Year of Inception | Affordable Units Produced | Threshold Number of Units   | Set-aside Requirement  | Control Period  | "In lieu of" payment/ Off-site Development   | Density Bonus  | Other Developer Incentives                    |
|------------------------------------|-------------------|---------------------------|---|--|---|--|--|---|
| <b>Boston, Massachusetts</b>       | 2000              | ---                       | Development exceeding 10 units  | 10% of on-site units   | "Maximum allowable by law"  | May build off-site if 15% of all units affordable; In lieu of payment permitted                                    | None   | Tax break for developer                       |
| <b>Boulder, Colorado</b>           | 1999 <sup>1</sup> | ---                       | No threshold # -- applicable to all residential development             | 20% low-income in sales and rental developments <sup>2</sup>   | Permanent affordability by deed restriction   | Half of for-sale units may be built off-site; Developers have flexibility with rental unit obligation <sup>3</sup> | None   | Waiver of development excise taxes            |
| <b>Davis, California</b>           | 1990              | 1474                      | Development exceeding 5 units   | 25% in for-sale developments <sup>4</sup> ; 25-35% in rental developments <sup>5</sup>                         | Permanent affordability for rental units; No control period for for-sale units  | In lieu of payment permitted for developments under 30 units, or other demonstration of "unique hardship"          | 25%  | None  |
| <b>Fairfax County, Virginia</b>    | 1991              | 1723                      | Development exceeding 50 units <sup>6</sup>                             | 12.5% in single family home developments 6.5% in multi-family developments                                     | 15 years for for sale housing; 20 years for rental housing; PHA may purchase 1/3 of all units <u>to keep affordable</u> | Not permitted  | 20% for single family units; 10% for multi-family units                                    | None  |
| <b>Irvine, California</b>          | 1978              | Over 3400                 | No threshold #-- applicable to all residential development <sup>7</sup> | Voluntary goal: 15% of all units   | 20-30 years; determined case-by-base depending on financing   | In lieu of payments and other alternatives to on-site units permissible <sup>8</sup>                               | 25% <sup>9</sup>   | None currently offered <sup>10</sup>          |
| <b>Longmont, Colorado</b>          | 1995              | 104 of 352 anticipated    | No threshold # 11   | 10% of all units in annexation areas   | No control period for for-sale units, 5 years for rental units  | May make in lieu if payment to Affordable Housing Fund; Case-by-case consideration of off-site construction        | Yes  | Relaxed regulatory requirements <sup>12</sup> |
| <b>Montgomery County, Maryland</b> | 1974              | Over 10,000               | Development exceeding 50 units  | 12.5-15% of all units; Of these PHA may purchase 33% and qualified not-for-profits may purchase 7%             | 10 years for for-sale units; 20 years for rental units  | Payments not permitted; May request approval to build affordable units off-site in contiguous planning area        |  | Waiver of water/sewer                         |
| <b>Santa Fe, New Mexico</b>        | 1998              | 1                         | No threshold # <sup>14</sup>  | 11% in developments targeted 120% AMI <sup>15</sup> , 16% in developments targeted over 200% AMI <sup>16</sup> | 30 years for all units; 30 years period starts over with each new occupant  | Not permitted, except in case of economic hardship   | Bonus equivalents to set aside 16% in developments targeted under 80% of AMI <sup>17</sup> | Waiver of building fees                       |

## Examples of Inclusionary Housing Program Characteristics

<sup>1</sup> Boulder had an prior inclusionary housing ordinance in effect in the 1980s and early 1990s. The current ordinance was designed o improve flaws in the former program.

<sup>2</sup> Projects of 4 or fewer units may either provide one unit of affordable housing on or off-site, dedicate land for affordable housing, r make an "in lieu of" contribution. Boulder may negotiate affordable housing set-asides of up to 50% in projects built on annexed land; in such cases, the units are split evenly between low-income households and moderate-income households.

<sup>3</sup> Developers of affordable rental units have flexibility with regard to the on-site/off-site mix, and the extent to which they may meet heir obligation by donating land or dedicating pre-existing homes for low-income households.

<sup>4</sup> 25% set-aside achieved through combination of on-site construction and land dedication.

<sup>5</sup> 35% set-aside required for rental projects over 20 units; 25% set-aside required for projects between 5 and 19 units; set-aside achieved through on-site construction and land dedication.

<sup>6</sup> Developers must pay a fee equal 1% of sales prices if a development does not exceed 50 units. In addition to meeting the 50 unit threshold, housing must be developed at a density greater than one dwelling unit per acre in an approved sewer service area to trigger an affordable housing set-aside obligation.

<sup>7</sup> The applicability of Irvine's program is dependent upon city and federal funding availability. Compliance with its terms is a "goal," not a strict requirement, though a city official reported that nearly all developments comply with the program

<sup>8</sup> Developers in Irvine may pursue a range of alternatives to construction of affordable units on-site. In addition to fees in lieu of construction, developers may provide land to not-for-profit developers of affordable housing, convert existing market rate housing into affordable housing, and extend the term of affordability on current affordable units.

<sup>9</sup> California state law requires a 25% density bonus for developers of affordable housing. In Irvine, however, not many developerstake advantage of this option.

<sup>10</sup> Although Irvine currently offers no developer incentives other than a state-required density bonus, it has in the past (and will consider doing so again in the future) offered developers of affordable housing reduced parking requirements, reduced fees, reduced park land dedications, and expedited permitting.

<sup>11</sup> All residential development on land annexed to the city triggers an affordable housing obligation.

<sup>12</sup> Developers who construct affordable housing are eligible for regulatory incentives, including reduced parking requirements, smaller setback requirements, and reduced landscaping obligations.

<sup>13</sup> Montgomery County permits developers to increase the sales prices of units by 10% to fund amenities that make the affordable units visually compatible with market rate units. Developers of affordable units also may build up to 40% attached units in an otherwise detached unit development, and they may receive some concessions on lot sizes that enable them to use their land more efficiently

<sup>14</sup> Santa Fe triggers an affordable housing obligation if any dwelling unit in a development is targeted to households with incomes over 120% of the area median income (AMI).

<sup>15</sup> Homes targeted to households earning between 120 and 200% of area median income (AMI) are priced between \$240,000 and \$400,000.

<sup>16</sup> Homes targeted to households earning in excess of 200% of area median income (AMI) are priced over \$400,000.

<sup>17</sup> Homes targeted to households earning less than 80% of area median income (AMI) are priced under \$150,000.

**END OF DOCUMENT**

**Comment:**

**These two files are the tables for Appendix D. They were printed out, then copied onto pages xii and xiii in the appendix. You may click on the icons to edit.**



Microsoft Excel  
Worksheet



Microsoft Excel  
Worksheet