

Remaining Questions & Answers from 46th Ward Zoning & Development Committee
March 9th, 2022

*The following questions were submitted via chat during the Zoom webinar on March 9th, 2022 and were not answered during the presentation due to time restraints. Questions have been answered by the webinar presenters, Rafael Leon and Daniel Hertz. Answers are in **bold**.*

[] denotes edits to typos or punctuation for clarity.

Questions answered by Rafael Leon, Chicago Metropolitan Housing Development Corporation (CCMHDC)

- How often do cha or section 8 units get lihtc [low income housing tax credits]?
Yes, CHA gets LIHTC. Private developers get operating subsidies via Section 8 program.
- I'm unclear about how long rents must be reduced if it gets lihtc[?] 15 or 30 years[?]
Please clarify[.]
Federal Requirement is 15 year for tax credit compliance purposes. However, the City requires an additional 15 years beyond that.
- Are NOAH [naturally occurring affordable housing] privately owned? What are the incentives to the building owners to have a NOAH building?
Yes, NOAH is privately owned.
- Does CMHDC own properties in each of the Affordable Housing categories you described today?
Yes, we own properties in all the affordable housing categories.
- What are the names of the companies you use [question directed to CMHDC] to manage your buildings? I missed one.
Management companies are Kass Management and Urban Equities.
- Does CMHDC only buy entire buildings or do they also buy individual units within buildings?
Yes although in the past we have bought condos but there are no efficiencies in operating condos.
- Does CMHDC own properties in each of the AH [affordable housing] types that you went over today?
Yes, we own NOAH, market, and some LIHTC under an extended use agreement.

Questions answered by Daniel Hertz, Department of Housing, City of Chicago

- Today I engaged with a Chicago Architectural Center presentation on the 'Chicago Seven' most endangered architectural sites in the City. It highlighted Altgeld Gardens and Lathrop Homes. What are the active plans for these sites?

Those are Chicago Housing Authority sites, so DOH [Chicago Department of Housing] wouldn't be the best place to get an update for those.

- Seeing that Uptown is dark red per the map just shown...what are the plans with adding more Affordable Housing in Uptown?

Both ARO [Affordable Requirements Ordinance] and City-financed multifamily housing (through LIHTC or other means) can be used to add affordable housing in Uptown.

- Are in lieu of fees split between CLIHTF [Chicago Low Income Housing Trust Fund] rent subsidies and DOH financing and allocated in all parts of [the] City?

Yes.

- What ward in the city has a higher concentration of subsidized housing than the 46th?

Several wards on the South and West Sides have higher concentrations of legally restricted affordable housing than the 46th ward.

- Are there stats related to crime and AFH [affordable housing]?

There are studies that have shown there is not a link between affordable housing and crime rates; in fact, some have found that in some circumstances affordable housing is associated with lower crime rates.

- Who qualifies for preferential leasing?

Under the ARO, tenants who require accessible units may qualify for preferential leasing.

- Explain when a developer can buy out units?

Under the 2021 ARO, developers can generally pay in-lieu fees for up to 50% of the affordability set-aside. These fees support other affordable housing developments and subsidies.

- Why not focus the ARO ordinance on using off-site vouchers and less on on-site units. Thus, maximizing the amount of housing units rented?

The ARO is not a voucher program, which would require ongoing payments. It depends

on affordable units being built and managed by the developer of the triggering market-rate development.

- How do you find out who owns newer ARO buildings [being] built? [An added related question:] The problem is that tenants see new buildings going up but have problems identifying developers. **Multifamily buildings should have a sign posted indicating their property management company.**
- Why not also use the ARO to encourage more dense housing, thus increasing the supply of housing and putting relief on more affordable market housing stock[?]
The ARO does not regulate density. However, there are density bonuses available in the zoning code for ARO projects that include a certain amount of on-site affordability.
- Could anyone speak a little more about the incentives for family-sized units?
Under the 2021 ARO, developers can get credits, essentially, for building larger units than they would otherwise be required to do.
- What is [the] status of enforcement or procedures for affirmative fair marketing on ARO developers that assures good [chances] of renting to rent-subsidy tenants?
ARO units are monitored by DOH's long-term compliance division.
- Does the new ARO prevent aldermanic dealings with developers to come up with alternatives to providing affordable units in new luxury developments?
The ARO requires that at least 50% of the affordability set-aside be built, with the other 50% eligible for an in-lieu payment that supports other affordable housing initiatives. In rental developments, there is no way to build less than 50% of the affordability set-aside.
- Hi all! Can we expect that all affordable units that are required by the ARO in Uptown would be able to be built [on site] or at least within the 46th ward?
Because Uptown is a "Community Preservation Area," any off-site units would have to be built within 1 mile of the triggering market-rate project.
- What are the primary methods to help get low income housing in the many places [and wards] that have little or no lower income housing (when wards like the 46th have more in terms of percentage than [the] rest of the city)?
The ARO and City-financed affordable housing developments are the main methods available to the City.

- Does the ARO or any other special program offer any avenue that supports affordable home ownership, either through co-op models like at Lake View Towers or through personal investment? Many people and their [descendants] have historically been locked out of home ownership through discriminatory practices such as redlining. **The ARO does sometimes produce ownership units, especially when the triggering project is condos or townhomes. Those units are monitored by the Chicago Community Land Trust.**