



City of Chicago  
Richard M. Daley, Mayor

# NEW HOMES FOR CHICAGO

## City Lots for City Living Application



Chicago Department of Community Development  
121 N. LaSalle St. #1000  
Chicago, IL 60602

# New Homes for Chicago Application

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# New Homes for Chicago

## Program Description

The primary objective of New Homes for Chicago is to provide low- and moderate-income working families with the opportunity to purchase high-quality new homes. The goal is to expand housing affordability in support of healthy communities, especially those traditionally bypassed for new development.

The Department of Community Development (DCD) recognizes today's high costs of construction and has packaged a number of benefits designed to reduce the total development cost and yield a lower sales price to qualified purchasers:

Assistance available to the developer:

- Conveyance of city-owned vacant lots for as little as \$1
- Waiver or reduction of various building permit and utility connection fees
- Perimeter site improvements where needed
- Assistance in upgrading the energy-efficiency of units<sup>1</sup>

Assistance available to the qualified purchaser:

- A purchase price subsidy of \$10,000 for buyers of a single family home or \$30,000 for buyers of a two-flat building. For a single family home, the homebuyer's household income can be no more than 100% of the area median income (AMI) to receive the purchase price subsidy. For a two-flat, the homebuyer's income can be no more than 120% AMI to receive the purchase price subsidy (see appendix for table of income limits by family size).
- An additional purchase price subsidy of up to \$30,000 for buyers of a single-family home. The homebuyer's income can be no more than 80% AMI to receive additional purchase price subsidy.
- A difficult to develop area (DDA) purchase price subsidy of up to \$20,000 for buyers of a single family home or a two-flat building. There are no income restrictions on this assistance, and it is available to buyers of market-rate units as well. This subsidy is subject to DCD approval on a project-by-project basis.
- Homeownership counseling and education
- City Mortgage or TaxSmart Program benefits (see page 10 for more information on these programs).

## Program Requirements

- Single-family homes must be priced at or below \$195,000, and two-flats must be priced at or below \$265,000.
- For a given development, there can be a maximum of 20% market rate units (i.e., units with no limits on sales price or buyer income).
- Developments shall satisfy program design requirements (see Attachment 1).
- Developers shall demonstrate economic feasibility and marketability of proposed development.
- Developers shall demonstrate experience, financial capability and ability to undertake, finance and complete development within prescribed time frames and for targeted sales prices.
- Developers shall comply with all applicable city, state and federal regulations governing the New Homes for Chicago program.

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<sup>1</sup> Assistance is provided through the Energy Efficient Affordable Housing Construction Program, Illinois Department of Commerce and Economic Opportunity (DCEO).

# New Homes for Chicago Application Review and Approval Process

Provided all information and documentation required is submitted and meets criteria, allot a minimum of four months for application process.

## 1. Application

- Complete application, confirming inclusion of all necessary information and documentation through the checklist provided and submit the application fee (\$750 for non-profit developers and \$1,000 for for-profit developers), in the form of a non-refundable cashier's check, company or certified check, or a money order made payable to the City of Chicago.
- Applications are accepted on a continuous basis and approved based on merit and availability of resources.

## 2. DCD review and approval of application

- The Department will only review applications that include all necessary documentation and will notify the applicant if the application is incomplete.
- A Development Officer will work with each applicant throughout the application process.
- Staff will complete a thorough review of the application using DCD underwriting standards. DCD reserves the right to negotiate with the developer regarding the specifics of each development, including the amount of financial assistance requested, design or site plan alterations or other aspects of the proposal.
- The architectural design/construction review is a critical component of the application process and consists of:
  - Architectural Design Review: confirmation of code requirements and review of design drawings, scope of work, project budget and context compatibility; approval will result in authorization of construction documents.
  - Construction Document Review: design confirmation and review of construction drawings and specifications; legal survey; soil report and environmental assessments; review of construction budget.
  - Final Construction Review: verification of sworn statements from owners and contractors, agreements with architect and general and subcontractors, addenda and addenda approval, building permit, inspecting architect approval, MBE/WBE review, fee waivers and certificate of insurance.
- If approved by the DCD Loan Committee, DCD will make recommendation for awarding program benefits to City Council.

## 3. City Council approval

- An ordinance requesting program benefits for a project is introduced by the Mayor to the City Council and then referred for a public hearing to a City Council committee.
- Economic Disclosure Statement, Ownership Disclosure Affidavit, and scofflaw checks must be completed prior to the City Council submission.
- Developer may be asked to appear before a City Council Committee, usually Housing and Real Estate, to answer questions or present his/her proposal; if passed, the ordinance is referred to the full Council.
- City Council approval will consist of authorization of any or all program benefits. At a minimum, this process takes two months.

## 4. Drafting and signing of legal agreements

- Financing commitments and required organizational documents pertaining to the project must be made available to DCD staff for review; Corporation Counsel will issue a closing document checklist to developer.
- The Corporation Counsel will prepare a Redevelopment Agreement, which will define the land conveyance, scope of work, construction schedule, and the description of qualified purchasers, to be executed by the City and developer.
- Construction Escrow Agreement will be executed, describing the process by which the title of City-owned lots will be conveyed and funding will be disbursed.
- Corporation Counsel will review the private financing commitment and loan documents.

## 5. Construction

- Developer must start construction within 3 to 6 months of the execution of the Redevelopment Agreement. Construction must be completed within the period outlined in the Redevelopment Agreement.
- Developer starts construction once a DCD preconstruction meeting is held.
- Developer must ensure that General Contractor submits all documents related to M/WBE and Local Hiring Preference compliance monitoring.
- This phase will include inspections and inspection report monitoring.
- Final inspections produce Certificate of Compliance.
- General Contractor issues a limited warranty (valid for a minimum of 1 year from date of first occupancy).

## **6. Closing**

- Developer must submit request for closing two weeks prior to closing date to DCD Closing Coordinator, who will coordinate the City's role in the home sale closing among DCD, the Department of Law, outside counsel, the developer, and the title company.
- Developers will supply information on qualified buyers to be verified for mortgage documents.
- An eligible homebuyer purchases a New Home for Chicago.

## **7. Post-closing**

- Inspecting architect issues certificate of final completion for each home to DCD.
- Developer will submit monthly construction status and sales reports to DCD Development Officer.
- DCD monitors warranty compliance.

# New Homes for Chicago Summary

Feature		New Homes for Chicago
<b>Benefits</b>	City-owned land	Conveyed for as little as \$1 per lot
	Fee waivers	Yes (See page 6)
	Perimeter site improvements	As needed
	Purchase Subsidies for Homebuyer	Purchase Price Subsidy
Additional Purchase Price Subsidy		Up to \$30,000 for single family homebuyers at or below 60% AMI Up to \$20,000 for single family homebuyers between 61% and 80% AMI
Difficult to Develop Area (DDA) Purchase Price Subsidy		Up to \$20,000 for buyers of single family homes or two-flat buildings located in Difficult to Develop Areas
<b>Types of housing</b>	Single family homes	Yes
	Two-flats	Yes
	Condominiums	Yes
	Rental housing	No
<b>Development caps</b>	Single family homes (including condominiums)	\$195,000
	Two-flats	\$265,000
<b>Mortgage recapture provisions</b>	Appraised value of lot (up to \$50,000)	Forgiven over 4 years
	Appraised value of lot (amount over \$50,000)	First \$50,000 is forgiven over 4 years; the balance is subject to repayment at up to 3% simple interest if home is sold during the first 40 years after the purchase date, unless sale is to an income-qualified homebuyer who purchases the home for an affordable price
	Purchase Price Subsidy	Forgiven over 4 years
	Additional Purchase Price Subsidy	Subject to repayment at up to 3% simple interest if home is sold during the first 40 years after the purchase date (not forgiven if sale is to an income-qualified homebuyer at an affordable price)
	Difficult to Develop Area Purchase Price Subsidy	Forgiven over 4 years
<b>Chicago Community Land Trust</b>	Recapture provisions	Recapture provisions for all subsidies (including total appraised value of lot) will be modified if the land is conveyed to the Chicago Community Land Trust.
<b>Income limits</b>	Purchasers of affordable single family units and two-flat buildings (household income)	≤ 120% AMI
	Renters of two-flat rental unit	No restriction on household income
<b>Purchaser qualifications</b>	Income eligibility and subsidy amount (if applicable) determined by developer, to be approved by DCD Homeownership Center	Yes
	Homebuyer must have certificate of completion of approved home ownership counseling program	Yes
<b>Regulatory requirements</b>	DCD architectural review	Yes
	Environmental clearance	Yes
	Mayor's Office of People with Disabilities Approval	Yes
	MBE/WBE	Yes
	City Resident Hiring Preference	Yes
	Davis Bacon	No
	Section 3	No

# Program Features: Developers

## Maximum development costs

To ensure that homes are affordable to a broad range of families, DCD has placed a cap on the maximum net development costs for homes built through NHFC:

Type of Housing	Maximum Net Development Cost
Single-family home	\$195,000
Condominium	\$195,000
Two-flat	\$265,000

## Chicago Community Land Trust

To help ensure the long-term affordability of the homes it supports, in 2006 the City established the Chicago Community Land Trust (CCLT). The CCLT asks homeowners to share with future homebuyers the affordability that was created for them through the use of public subsidies. CCLT homeowners agree to limit the price at which they can sell their homes, thus preserving the benefit of the public subsidies.

During the application review, DCD will perform an analysis of the proposed development and neighborhood conditions to determine if the homes in the proposed development should become a part of the CCLT. DCD will work with the developer and the community to include homes in the CLT where appropriate.

DCD may adapt the New Homes for Chicago Program for use in connection with the CCLT for the purpose maintaining long-term affordability of the units. In adapting the New Homes program for use with the CCLT, DCD may:

- a) cause developers to convey lots improved with homes developed under the New Homes Program to the CCLT;
- b) cause the CCLT to enter into long-term leases with homebuyers for the land on which such homes are built;
- c) cause the CCLT to convey the home and other improvements on such land to homebuyers;
- d) modify or eliminate the recapture provisions set forth in New Homes Program ordinance to assure the long-term affordability of such homes; and
- e) make such other modifications as may be necessary or appropriate to ensure long-term affordability.

The CCLT is described in the program ordinance approved by the City Council on January 11, 2006, and published in the Journal of Proceedings for such date at pages 67997 through 68024 (the "CLT Program Ordinance"). For more information on the CCLT see the DCD website or contact Dena Al-Khatib at (312) 742-0621 or [dena.al-khatib@cityofchicago.org](mailto:dena.al-khatib@cityofchicago.org).

## Program benefits

When estimating the costs of building units under New Homes, developers may elect to take advantage of any or all of the benefits outlined below.

**City-owned land** can be conveyed for \$1 per lot to qualified developers considering acquisition under this program in addition to, or as an alternative to, any privately owned lots they own or may be acquiring. The City has detailed maps showing City-owned lots and can provide that information for any neighborhood or community area. Please call DCD at (312) 742-0570.

**Waiver or reduction of city fees** and deposits related to new construction can include:

City Department	Fees	Benefit
<b>Department of Construction and Permits (DCAP)</b>	Plan review, permit (except electrical) and field inspection fees	Must be paid in full for first unit of each type and then reduced by 50% for each successive unit type
<b>Planning and Development</b>	Open Space Impact Fee	Reduced to \$100 per unit
<b>Department of Water Management</b>	Sewer connection and inspection fees	Waived
	Tap and inspection fees and demolition fees for existing water taps and water liens against City-owned lots	Waived

Street opening or patching fees are not waived through the Department of Streets and Sanitation. Please note that B-boxes, meters and remote readouts are not part of the Water benefits and will need to be purchased separately. Costs associated with any private legal work related to zoning approval, such as notifying nearby property owners if a zoning change is requested, are not waived.

**Perimeter site improvements** in the public way may be paid for and provided by the City and can include new curbs, gutters, sidewalks and parkway landscaping, subject to site inspection and approval and available funds. In the application, the applicant must describe and illustrate the area of the development site where site improvements will be needed, the type of improvements that are being requested, and a justification of the request.

**Energy efficiency funding** through the Illinois Department of Commerce and Economic Opportunity (DCEO) may be available to not-for-profit developers or joint ventures with not-for-profits, in recognition that energy-efficient construction can result in reduced utility costs for the homeowner and thus make homeownership more affordable. Grants of up to \$2,000 per unit may be available to upgrade the energy efficiency of selected units under New Homes. For an application or more information on this program, please contact Maureen Davlin, Program Manager, Energy Efficient Affordable Housing Program, 217-785-2373, [mailto:maureen\\_davlin@commerce.state.il.us](mailto:maureen_davlin@commerce.state.il.us)



# Program Features: Buyers

## Subsidies

Subsidies for owner-occupied single-family homes or condominium units are intended to fill the gap, if any, between the mortgage the purchaser can secure and the sales price:

### Purchase Price Subsidy

- Up to \$10,000 for buyers of single family homes whose total household income is at or below 100% AMI
- Up to \$30,000 for buyers of two-flat buildings whose total household income is at or below 120% AMI

This subsidy takes the form of a no-interest loan that is forgiven over four years.

### Additional Purchase Price Subsidy

- Up to an additional \$20,000 for buyers of single family homes whose total household income is between 60% and 80% AMI
- Up to an additional \$30,000 for buyers of single family homes whose total household income is at or below 60% AMI

This subsidy takes the form of a deferred loan at up to 3% interest that is due if the homeowner sells the home within the first 40 years of ownership.

### Difficult to Develop Area (DDA) Purchase Price Subsidy

- Up to an additional \$20,000 for buyers purchasing a single family home or a two-flat building in a difficult to develop area. Buyers of affordable and market rate units are eligible for the DDA purchase price subsidy; there are no income restrictions on households that are eligible to receive this subsidy. The purpose of this subsidy is to bring the price of the home more in line with the neighborhood market. Developers interested in making DDA subsidy funds available to their buyers must provide an explanation and justification for the use of these funds in their application. See page 18 for more information on applying for DDA designation.

This subsidy takes the form of a no-interest loan that is forgiven over four years.

**Please note that these are maximum subsidy amounts. Actual subsidies will vary, depending on need and income.**

See Attachment 3 for a summary of the various subsidies and recapture provisions.

## Eligible buyers

### Income Limits

Purchasers of affordable units in a New Homes for Chicago development are households with incomes up to 120% of the area median income who will occupy the home as their principal residence.

The income limits table provided in Attachment 4 identifies household income levels as percentages of the median for the metropolitan area. The developer is responsible for obtaining all qualification checklist items from the homebuyer's income and assets and forwarding this information, when complete, to the DCD Homeownership Center.

### Asset Test

DCD will review and verify the gross annual household income of the homebuyer(s) and the pre-approval letters issued by the first lender prior to commitment of purchase price subsidies for all households seeking a subsidy. There is also an asset qualification: if homebuyers have more than \$5,000 in assets after closing, those assets will be refigured into the gross annual income and the income will be recalculated. Assets are defined here as cash held savings and/or checking accounts, trusts, equity in rental property or other capital investment, stocks, bonds,

treasury bills, certificates of deposits, money market funds and retirement and pension funds where the money is readily accessible.

Buyers who are not currently City of Chicago residents can purchase a home through New Homes for Chicago. City of Chicago employees are also eligible to purchase a home through New Homes for Chicago if they meet the program's other eligibility criteria.

## Additional benefits available to the homebuyer

**Homeownership counseling and education:** All individuals who purchase a home through New Homes for Chicago must first complete a housing counseling session with a HUD-certified Homeownership Housing Counseling Center. These counseling services can be accessed by making an appointment with one of DCD's homeownership counseling delegate agencies. A list can be found in Attachment 5 and at DCD's website ([www.cityofchicago.org/dcd](http://www.cityofchicago.org/dcd)).

The **City Mortgage** program provides eligible homebuyers with a 30-year fixed rate mortgage with a competitive interest rate and 4% gift assistance. Gift assistance, which equals 4% of the final loan amount, is made available at the closing and may be used for down payment and closing costs. Any excess amount will be used to reduce the loan principal (the buyer will not receive any cash back). City Mortgage is available through participating lenders, which are listed on DCD's website ([www.cityofchicago.org/dcd](http://www.cityofchicago.org/dcd)).

The **TaxSmart** program allows eligible homebuyers to subtract 20% of their annual mortgage interest payments directly from their federal income tax liability. The credit can be claimed each year that the homebuyer holds the mortgage loan and uses the home as a primary residence. TaxSmart is available through participating lenders and must be obtained in conjunction with a mortgage. TaxSmart can also be used for home improvement loans or rehab loans. With a home improvement or rehab loan, the amount of the credit is 50% of the annual interest paid on the rehab loan, up to \$2,000 per year.

The **Public Safety Officer Homeownership Incentive Program** offers down payment and closing cost assistance in the amount of \$3,000 (or \$7,500 if the home is located in a CHA Plan for Transformation development) to qualified Chicago police officers, firefighters, and paramedics. This program is administered by DCD, and more information on the program can be found at the DCD website ([www.cityofchicago.org/dcd](http://www.cityofchicago.org/dcd)).

The **Teacher Homeownership Incentive Program** offers down payment and closing cost assistance in the amount of \$3,000 (or \$7,500 if the home is located in a CHA Plan for Transformation development) to qualified Chicago Public School (CPS) teachers. This program is administered by CPS in conjunction with the Rogers Park Community Council. For more information, please contact Diana Johnson at CPS at (773) 553-1072.

The **Home Options** program provides up to \$12,000 in purchase price assistance to homebuyers with a disabled member of their immediate family. For more information, visit [DCD's website](http://www.cityofchicago.org/dcd) ([www.cityofchicago.org/dcd](http://www.cityofchicago.org/dcd)).

## Selection Criteria

The criteria used to evaluate developers' applications are based on the following:

- Evidence of developer's financial capacity and ability to obtain project financing
- Completeness, quality, and experience of development team
- Demonstrated progress on prior New Homes for Chicago projects (if previously funded under New Homes for Chicago)
- Demonstrated community input and support
- Proven depth and quality of experience in successfully developing residential buildings in the community where the selected development is located, or in a community with similar market characteristics
- Applications that evidence interest of potential buyers
- Designs that respect the context of the block and surrounding community
- Designs that exceed the mandated energy efficiency and green building standards
- Site plans that accommodate the need for private open space within a development and enhance the entire site with a well-designed landscaping plan

## Application Submission

DCD requires an original and one copy of the application. All applications must be complete in all respects.

Submission is not a guarantee of funding or the sale of City-owned land to the applicant.

Applications will be accepted during general business hours, 8:30 a.m. to 4:30 p.m., except for City of Chicago holidays, in the office of:

Department of Community Development  
Attn: Developer Services, New Homes for Chicago Program  
33 N. LaSalle St., 2<sup>nd</sup> floor  
Chicago, IL 60602  
312-742-0818

Completed applications must be accompanied by an application fee, which cannot be waived and is non-refundable, in the amount of \$750 for a non-profit developer and \$1,000 for a for-profit developer, in the form of a cashier's, company or certified check, payable to the City of Chicago.

All materials submitted become the property of the City. The Department reserves the right to revise or modify the application instructions to developers in writing. The City, however, will not be responsible for any failure to advise any prospective developer of any written changes.

The Department reserves the right to request and set a deadline for the submission of supplemental requested information. Such additional information may include, but is not limited to, more detailed site or architectural plans, more specific financial information, firm financial commitments, or other documentation necessary to make a final recommendation to the City Council for its approval.

No application from any person, firm, or corporation in arrears or in default to the City of Chicago, upon any debt or contract, or a defaulter as surety or otherwise upon any obligations to the City, or one who had failed to perform faithfully any previous contract with the City, will be presented to the City Council for approval. (See also "Economic Disclosure Statement and Affidavit," available from the Department of Law.)

# Application Checklist

Please check off each item as it is completed to ensure that all the necessary documents are included. Incomplete applications will be deemed ineligible for funding consideration.

**Applicants do not have to use the forms provided, but must ensure that all information requested is provided and clearly indicated on their submissions.**

More complete descriptions of components can be found on the following pages.

Application component	Checklist	For DCD use only
Non-refundable application fee, payable to the City of Chicago (\$750 for non-profit developers and \$1,000 for for-profit developers)		
A <b>Project summary</b>		
B <b>Development team credentials</b>		
C <b>Financial statements</b>		
D <b>Development presentation map</b>		
E <b>Community input</b>		
F <b>Market analysis</b>		
G <b>Difficult to Develop Area justification</b> (if applicable)		
H <b>Project schedule</b>		
I <b>Development budget</b>		
J <b>Budget details</b>		
K <b>Cost certification</b>		
L <b>Development financing</b>		
M <b>Donation information</b> (if applicable)		
N <b>Credit references</b>		
O <b>Sample Warranty of Habitability</b>		
P <b>Economic Disclosure Statement and Ownership Disclosure Affidavit</b>		
Q <b>Preliminary Project Review architectural submission</b>		
R <b>Marketing plan</b>		

# **NEW HOMES FOR CHICAGO APPLICATION**

# A. Project Summary

Name of project: \_\_\_\_\_

Community areas:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Wards:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Legal development entity(s):

Name  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Address/Phone/Fax/Email  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Development entity principal(s):

Name  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Address/Phone/Fax/Email  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Project manager:

Name \_\_\_\_\_  
Company name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_  
Email \_\_\_\_\_

# of row/townhouses	_____
# of bedrooms	_____
# of square feet	_____
unit price	\$ _____

# of 2 unit buildings	_____
# of bedrooms - unit 1	_____
# of square feet - unit 1	_____
# of bedrooms - unit 2	_____
# of square feet - unit 2	_____
unit price	\$ _____

# of detached single-family	_____
# of bedrooms	_____
# of square feet	_____
unit price	\$ _____

# of condo units	_____
# of bedrooms	_____
# of square feet	_____
unit price	\$ _____

Total number of units to be built	_____
City subsidy requested	\$ _____
Total subsidy dollars	\$ _____
Per unit cost	\$ _____

## Site Information

If you need information on available City-owned lots, contact DCD at (312)-742-0570.

Indicate current property ownership (City, owned/controlled by developer or other private party). Provide evidence of site control for each privately-owned lot in the form of a deed, purchase option, tax foreclosure certificate, etc.

Provide a photo of each lot to be developed. Provide a Sidwell map indicating the location of each lot.

Street address	PIN(s)	Census Tract	Lot size	Ownership	Zoning	Unit type	Unit total

## B. Development Team Credentials

### Development entity:

Company name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_  
Email \_\_\_\_\_

### Type of development entity (mark all appropriate):

Partnership \_\_\_\_\_ For-profit corporation \_\_\_\_\_  
Not-for-profit corporation \_\_\_\_\_ Joint venture \_\_\_\_\_  
Sole proprietor \_\_\_\_\_ Cooperative \_\_\_\_\_  
Other (specify): \_\_\_\_\_

### Submit documentation of formation of development entity (if applicable):

Joint venture agreement \_\_\_\_\_ Trust agreement \_\_\_\_\_  
By-laws \_\_\_\_\_ State of Illinois Certificate of Good Standing \_\_\_\_\_  
Articles of incorporation \_\_\_\_\_

### Principals of development entity:

Name \_\_\_\_\_ Social Security # \_\_\_\_\_  
Address \_\_\_\_\_  
City, State Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_  
Role \_\_\_\_\_  
Partnership status \_\_\_\_\_ Interest percentage \_\_\_\_\_ %

Name \_\_\_\_\_ Social Security # \_\_\_\_\_  
Address \_\_\_\_\_  
City, State Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_  
Role \_\_\_\_\_  
Partnership status \_\_\_\_\_ Interest percentage \_\_\_\_\_ %



Name \_\_\_\_\_ Social Security # \_\_\_\_\_

Address \_\_\_\_\_

City, State Zip \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_

Role \_\_\_\_\_

Partnership status \_\_\_\_\_ Interest percentage \_\_\_\_\_ %

**Current Board of Directors of development entity/owners:**

Please provide on a separate sheet a list of all contact information (address, phone and fax).

**Other development team members:**

Please provide on a separate sheet the following information for each of the identified development team members listed below and any other members deemed appropriate but not listed:

- Contact information: Name, address, phone
- Resume or brief narrative summarizing work history
- Thorough description of each member’s experience, background and accomplishments pertinent to the proposed project. Please highlight any project in which DCD participated.
- Indicate if team member is a City of Chicago certified minority- or woman-owned business, as defined by Chapter 2-92 of the City of Chicago Municipal Code.

1. Architect
2. Inspecting architect
3. Engineer
4. General contractor
5. Construction manager
6. Construction lender
7. Permanent lender
8. Attorney
9. Accountant
10. Sales/marketing agent
11. Homeownership Counseling Agency
12. Other

**C. Financial Statements**

Please submit audited financial statements for the last two years. If financial statements are not audited, provide a form of unaudited statements or balance sheets. If the entity is owned by individuals, please submit a personal financial statement and tax returns from the last two years.

## D. Development Presentation Map

Please provide maps for all proposed sites. Base maps may be obtained from:

City of Chicago  
 Department of Transportation, Division of Maps and Plats  
 City Hall  
 121 N. LaSalle, Room 905  
 312-744-4996  
<http://w28.cityofchicago.org/kiosk/mpkiosk.jsp>

Specifications for the map are:

Type of map: Structure Base Map (scale: 1" = 100')  
 Area of coverage: 4 square blocks (1/4 square mile), centered on project site

Please specify on the map whether the area is a Department of Planning and Development-designated urban renewal area (Redevelopment Area, Conservation Area, Tax Increment Financing District).

Items to Be Designated	Color Code
Proposed site(s)	Black, outline with label inside
Public transportation (El lines and bus routes)	Black label
Main thoroughfares	Black label
Business/commercial areas	Yellow
Parks	Green
Schools	Orange
Hospitals	Pink
Abandoned buildings	Red, solid
Vacant lots	Red, outline with diagonals
Non-DCD projects developed by applicant/sponsor	Black, outline with diagonals
Other DCD-funded projects developed by applicant/sponsor	Blue, outline with diagonals
DCD-funded projects by others (if known)	Blue, solid
Other residential investment in area	Purple
Public, institutional, commercial or recreational facilities that will serve the site but that are located off the map	Indicate on map with label, ex.: "Major Commercial 1/4 mile north"

## **E. Plan for Community Input**

Provide a detailed description of contact so far with the local alderman, business and community organizations, major institutions and others who may be affected by the proposed housing development. Letters of support from local organizations or individuals are strongly encouraged. A letter of support from the local alderman, indicating support for the conveyance of all City lots, any necessary zoning changes, and financial assistance, is required.

## **F. Market Analysis**

While this does not have to be a privately commissioned report, data should be submitted with analysis and conclusions. The market analysis should explain why you are proposing a development on these lots/sites:

- Summarize area demographic data and provide a brief history of its market activity: What are the income levels of residents in the targeted areas and of the proposed purchasers? What are current area rents and home value levels?
- What is the projected absorption rate for the homes you are proposing to build?
- What are the proposed sales prices, by type of home and number of bedrooms?
- Please provide any information on interested buyers.
- Will you build in phases? How many units under construction in each phase?
- Is there any other evidence pertinent to promoting homeownership opportunities in the area? Please explain.

## **G. Difficult to Develop Area Justification**

Developers who would like buyers of units in their development to be eligible to receive difficult to develop area (DDA) subsidies must submit a justification for use of these funds. The justification may include a market analysis or other demographic information. The purpose of the DDA subsidy is to align the market sales price of the home more closely with the market sales price of other homes in the area. It might also serve as an added incentive for homebuyers to purchase a home in a particular area.

Characteristics of a difficult to develop area might include:

- The cost of building a home exceeds its anticipated market sales price
- Lack of new residential construction or rehab
- Lack of amenities, such as retail and commercial development, parks, or public transportation
- Inadequate infrastructure for residential redevelopment
- Excessive environmental remediation costs
- High crime and/or gang activity
- High percentage of vacant land
- Lack of block clubs or other neighborhood organizations

The DDA justification should address one or more of these characteristics. The Department of Housing will use this justification to determine whether or not buyers in this development will be able to access difficult to develop area subsidies. No more than \$500,000 in difficult to develop area subsidies will be granted per development. The DDA subsidies are available to all buyers within a development (regardless of income or type of housing; also available to buyers of market rate units). The DDA subsidies will be awarded to buyers within a development on a first-come, first-served basis.

# H. Project Schedule

Please provide an estimate of the schedule proposed for the successful and timely completion of the development.

Acquisition, if any (total time length for acquiring buildings) \_\_\_\_\_

Estimated start date for construction \_\_\_\_\_

Construction time per home (please attach full schedule) \_\_\_\_\_

Number of phases (if applicable) \_\_\_\_\_

		Per building (list # of weeks)	Total project (cite month/year)	Project timeline (with date of executed redevelopment agreement = month 1, count forward)
<b>Government al approvals</b>	Zoning			
	Utility relocation			
	Building permit			
	Other: _____			
<b>Construction</b>	Completion of site control			
	Approvals			
	Start of construction			
	# of months per phase (if applicable)			
	Completion of construction			
<b>Final completion (estimates)</b>	Start of marketing			
	Buyer Qualification/Loan Commitments			
	Date of initial sale			
	Date of final sale			

# I. Development Budget

Please provide a summary budget for each building type.

If using this form, page \_\_\_\_\_

Developer name \_\_\_\_\_

Project name \_\_\_\_\_

Building address \_\_\_\_\_

Building PIN # \_\_\_\_\_

Total number of units \_\_\_\_\_

**1<sup>st</sup> Unit**

**2<sup>nd</sup> Unit**

Number of bedrooms \_\_\_\_\_ Number of bedrooms \_\_\_\_\_

Number of bathrooms \_\_\_\_\_ Number of bathrooms \_\_\_\_\_

		Cost	Explain (if necessary)
<b>Acquisition</b>	Acquisition	\$	
	<b>Subtotal A</b>	\$	
<b>Construction</b>	Rehabilitation	\$	
	<b>Subtotal B</b>	\$	
<b>Soft Costs</b>	Soft costs	\$	
	<b>Subtotal C</b>	\$	
<b>Developer's Fee (Maximum 10% of sum of acquisition, construction, and soft costs)</b>	Developer's fee	\$	
	<b>Subtotal D</b>	\$	
<b>Total</b>		\$	

Summary

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Total development cost	Sales price	As-is appraised value
\$	\$	\$

## J. Budget Details

Provide the following budget details, using a separate page for each building type. The tables below are samples. The workups and specifications for each building should accompany each budget page when available.

Construction Costs Summary per Unit		
Budget date		
Habitable area		SF
Basement (1/2) Crawl (1/4)		SF
Adjusted area		SF
Excavation		\$
Concrete	Foundation	\$
	Slab	\$
Masonry		\$
Carpentry	Rough	\$
	Trim	\$
Millwork/Door/Hardware		\$
Windows		\$
Insulation		\$
Siding		\$
Roofing		\$
Gutters		\$
Drywall		\$
Cabinets (kitchen/vanity)		\$
Tops (kitchen/vanity)		\$
Ceramic tile		\$
Resilient tile		\$
Carpet		\$
Painting (ext. & int.)		\$
Misc./Accessories		\$
Appliances		\$
Stairs/Rails/Ornamental metal		\$
Utilities: sewer/water		\$
Plumbing		\$
H.V.A.C.		\$
Electrical w/ fixtures		\$
Site preparation		\$
Landscape		\$
Walks/Pad		\$
Fence		\$
<b>Subtotal</b>		\$
General Conditions		\$
Contractor O.H./Fees		\$
Permits*		\$
Water permits		
<b>Construction cost total</b>		\$
<b>Construction cost/sq. ft.</b>		\$

Soft Costs Summary per Unit		
Architect	Design	\$
	Inspection	\$
Engineer/Soil boring		\$
Environmental		\$
Survey		\$
Legal fees		\$
Title/Closing		\$
Construction loan fees		\$
Financing cost		\$
Property tax (constr.)		\$
Insurance (constr.)		\$
Security (constr.)		\$
Marketing expense		\$
Sale agent fees		\$
Appraisal		\$
Accountant		\$
Warranty		\$
Bond		\$
Other cost		\$
<b>Subtotal</b>		\$
Developer's fees		\$
Acquisition		\$
Contingency		\$
<b>Soft costs total</b>		\$
<b>Soft costs/sq. ft.</b>		\$

Development Costs Summary per Unit	
Total hard costs	\$
Total soft costs	\$
Total development cost	\$
Total development cost/sq. ft.	\$
Energy grant	\$
Other grants	\$
Total cost after grants	\$
Total cost after grants/sq. ft.	\$
Sales price (w/o options)	\$

\*Note that not all permit fees are waived. See Attachment 2 for more information.

## K. Cost Certification

Please complete the following form for each building.

I hereby certify that the above figures represent reasonable and accurate development cost estimates based on the schematic drawings and outline specifications submitted as part of this application, as of \_\_\_\_\_, 200\_\_\_\_ .

Name \_\_\_\_\_

Title \_\_\_\_\_

Company \_\_\_\_\_

Relation to project sponsor \_\_\_\_\_

Date \_\_\_\_\_

## L. Development Financing

Please provide the types and sources of financing and terms. **You must also submit letter(s) of interest or commitment from lender(s).**

Sources	Lenders	Amount	Rate	Terms
Construction Loans		\$	%	
		\$	%	
Pre-development Loans		\$	%	
		\$	%	
Other Resources		\$	%	
		\$	%	



## M. Donation Information (if applicable)

The Illinois Affordable Housing Tax Credit (IAHTC) provides affordable housing project donors with a tax credit on their Illinois income tax equal to 50% of their donation to qualified non-profit affordable housing sponsors<sup>1</sup> (i.e., New Homes for Chicago developers).

**For a development to be eligible to receive IAHTCs, the following criteria must be met:**

- Units must serve households at 60% of area median income or less
- Mortgage payments (including mortgage principal, interest, property taxes, and property insurance) may not exceed 30% of the buyer's household income

The donations may be aggregated if more than one donation is received for a development, but the total donation may never be less than \$10,000. In the event of an aggregate donation, the sponsor will be responsible for evidencing the amount and source of each donation to the administering agency, and for providing individual donors with credit certificates.

To take advantage of the IAHTC, please list all donors contributing or proposing to contribute to your project:

Donor name (complete contact information on each donor below)	Type of donation*	Value of donation	Method of valuation**	What is status of donation?***	Date donation made/will be made

\* Cash, securities, real property, personal property.

**IN CASES OF PROPERTY DONATION:**

It is desirable for applicants to include an appraisal with this application. If you do not have an appraisal at time of application and your project is approved, you will need to provide an appraisal in a timely manner following approval notification.

\*\* Please list and attach documentation to be provided to support value of actual donations.

\*\*\* i.e., you:

- Plan to contact donor
- Are in discussions with donor
- Have donor's verbal commitment
- Have evidence of commitment

<sup>1</sup> An eligible sponsor is a not-for-profit organization that is either:

- organized under the General Not for Profit Corporation Act of 1986 for the purpose of constructing or rehabilitating affordable housing units in this State; or
- organized for the purpose of constructing or rehabilitating affordable housing units and has been issued a ruling from the Internal Revenue Service of the United States Department of the Treasury that the organization is exempt from income taxation under provisions of the Internal Revenue Code; or
- an organization designated as a community development corporation by the United States Government under Title VII of the Economic Opportunity Act of 1964.

**Donor Contact Name & Information**

<b>Donor name:</b> _____	<b>Contact person:</b> _____
<b>Address:</b> _____	<b>Title:</b> _____
<b>City:</b> _____	<b>Phone number:</b> _____
<b>State, Zip:</b> _____	<b>Fax number:</b> _____

**Donor Contact Name & Information**

<b>Donor name:</b> _____	<b>Contact person:</b> _____
<b>Address:</b> _____	<b>Title:</b> _____
<b>City:</b> _____	<b>Phone number:</b> _____
<b>State, Zip:</b> _____	<b>Fax number:</b> _____

**Donation Plan**

Please state plan for obtaining donation if donations are not already committed:

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**Donation Process**

Once an applicant has received a reservation for IAHTCs, a donation must be procured within two (2) years. The credit certificate will be issued to the sponsor once the administering agency receives documentation of the donation and other project information, such as final cost, unit mix, and financing. The administering agency will provide a copy of the certificate to the Illinois Department of Revenue. It is the sponsor's responsibility to ensure that the donor receives the certificate.

# N. Credit References

Please provide the contact names, organization names, addresses and telephone numbers of three credit references (banks or major vendors). Also, please attach a letter that gives DCD your consent to contact these references (see the following page for a sample letter).

## 1.

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Company name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_  
Email \_\_\_\_\_  
Nature of Account \_\_\_\_\_

## 2.

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Company name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_  
Email \_\_\_\_\_  
Nature of Account \_\_\_\_\_

## 3.

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Company name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_  
Email \_\_\_\_\_  
Nature of Account \_\_\_\_\_

*This is an example of a release of information letter. The signed letter of consent is necessary because of the laws concerning the rights to privacy of information act. This letter will only be used to get three questions answered from your bank references:*

- 1. Is this developer a customer of your establishment?*
- 2. Are they a customer in good standing?*
- 3. What type of account do they have with your bank?*

(Date)

Department of Community Development  
121 N. LaSalle St. #1000  
Chicago, IL 60602

Commissioner,

I \_\_\_\_\_(Your Name)\_\_\_\_\_ representing \_\_\_\_\_(Name of Company)\_\_\_\_, for the project called \_\_\_\_\_(Name of Project)\_\_\_\_, hereby grant the Chicago Department of Community Development permission to contact the credit references submitted as part of the New Homes for Chicago program application. These references may be contacted with the understanding that information requested is limited to verifying the status of the business relationship with each reference for the purpose of the proposed project submitted in the application.

Sincerely,

**(Your Name)**

## **O. Sample Warranty of Habitability**

Provide a sample from the general contractor of the Warranty of Habitability that will be given to the home purchaser.

## **P. Economic Disclosure Statement and Ownership Disclosure Affidavit**

Submit a completed original and two copies of the Economic Disclosure Statement (EDS) for the development entity and each member or owner entity. Forms are available at the Department of Law's website: [www.cityofchicago.org/law](http://www.cityofchicago.org/law) .

In addition, submit a completed original and two copies of the Ownership Disclosure Statement for the development entity and each member or owner entity. This form is available at DCD's website: [www.cityofchicago.org/dcd](http://www.cityofchicago.org/dcd).

Original signatures must appear on all forms, and forms must be notarized where necessary.

# Q. Preliminary Project Review Architectural Submissions

The review of proposed designs is an integral element of the New Homes for Chicago program, intended to increase the design integrity in affordable housing and help ensure that architecture enhances the livability of neighborhoods.

There are three stages of architectural review that each New Homes for Chicago development will undergo.

**STAGE ONE:** Preliminary Project Review. Documents required for the Preliminary Project Review must be submitted with the initial application (see checklist below).

**STAGE TWO:** Design Document Review (Applicant will be notified at a later date of required documentation for Stage Two submission.)

**STAGE THREE:** Construction Document Review (Applicant will be notified at a later date of required documentation for final construction approval for Stage Three.)

For more information on Design Criteria, see page Attachment 1.

## Preliminary Project Review Checklist:

1. **Master plan:** should locate the project site(s), depict the adjacencies to existing properties and, in the case of larger developments, illustrate proximity of proposed multiple sites.
2. **Site plan:** conceptual site plan should identify setbacks, easements, number of parking spaces provided/required, location of refuse pick-up areas, utilities and pedestrian environment issues.
3. **Landscape plan:** should illustrate type of plan materials, location of shrubs and trees, ground treatment, security fencing and other site features.
4. **Floor plans:** should clearly depict room designations, dimensions and typical furniture layout.
5. **Building section:** should identify building materials, structural framing, depth of footings/foundations, ceiling heights of interior spaces and general floor and roof framing.
6. **Front, side and rear elevations:** should illustrate selection and location of materials, doors, fenestration and roof configuration. Drawings should also indicate vertical heights and depth of foundations. Alternate elevations are required, showing optional facade treatments such as bay windows and front porches or other elements demonstrating variety.
7. **Project narrative:** should briefly summarize (one page, double-spaced) the development objectives, site, building construction systems (identify wall, floor and roof construction) and building design concepts. It can also include discussion on broader urban design context and the opportunities and constraints of the site itself.

Included	For DCD use only

Any additional questions regarding DCD Architectural Design Review should be directed to your Development Officer and/or the DCD Coordinating Architect.

## R. Marketing Plan

The Marketing Plan submission should indicate the strategy to be used to market the units to low- and moderate-income purchasers. Strategies should include the use of local community organizations and additional outreach efforts.

The plan should also detail:

- steps to affirmatively market the properties to eligible homebuyers
- whether the properties will be pre-sold, sold on specification, or through lotteries or auction
- timeline of marketing activities
- detailed marketing budget
- marketing activities used to notify potential homebuyers with disabilities (please note that DCD will notify the Mayor's Office for People with Disabilities of upcoming developments, to be included in their publication, *Access Notes*)
- compliance with the Fair Housing and the Affirmative Action Marketing regulations

All marketing materials must be reviewed by the DCD Development Officer prior to publication and distribution.

# Attachment 1

## New Homes for Chicago Design Criteria

The purpose of the New Homes for Chicago design criteria is to encourage the construction of housing for families that is accessible, energy efficient, and flexible to meet changing family needs.

The design criteria include many elements of universal design, which is an approach to the design of products and environments to be usable by as many people as possible, regardless of age, ability, or situation.

The City of Chicago recognizes that truly affordable housing requires that energy and maintenance costs are held to a minimum for the life of the unit. It is also a priority of the City that new residential housing use environmentally sustainable building materials and methods. For these reasons, DCD requires that all homes built through the New Homes for Chicago program have at minimum a one-star rating (200 points) under the Chicago Green Homes rating system. By following the New Homes for Chicago design criteria, homes can achieve approximately 180 points. The additional 20 points can be earned by incorporating additional elements of the Chicago Green Homes design criteria. Homes with 300 points (two-star rating) will qualify for the expedited Green Permit Process.

Category	Building Type	Standard/Requirement
<b>Minimum Square Footage, Number of Bedrooms and Bathrooms</b>	Single-family	<ul style="list-style-type: none"> <li>▪ Minimum 1,100 sq. ft.</li> <li>▪ Minimum 3 bedrooms, 1 ¾ bathrooms, and full basement.</li> </ul>
	2-unit building	<ul style="list-style-type: none"> <li>▪ Minimum for primary (i.e., owner) unit: 1,100 sq. ft.</li> <li>▪ Minimum for primary unit: 3 bedrooms, 1 ½ bathrooms</li> <li>▪ Minimum for secondary (i.e., rental) unit: 850 sq. ft.</li> <li>▪ Minimum for secondary unit: 2 bedrooms, 1 bathroom</li> </ul>
	Condominium	<ul style="list-style-type: none"> <li>▪ Minimum for 2-bedroom unit: 850 sq. ft. with 1 bathroom</li> <li>▪ Minimum for 3-bedroom unit: 1,100 sq. ft. with 1 ¾ bathrooms</li> </ul>
<b>First Floor and Entrance</b>	Single-family	<ul style="list-style-type: none"> <li>▪ At a minimum, 40% of the single-family units must include at least one no-step entry on an accessible route</li> <li>▪ One area on the 1<sup>st</sup> floor, such as a living room or den, which can be converted into an 80 square foot bedroom</li> </ul>
	2-unit building and condominium	<ul style="list-style-type: none"> <li>▪ 100% of 2-unit buildings must have one no-step entry on accessible route (no basement is necessary)</li> </ul>
<b>Bathrooms</b>	Single-family	<ul style="list-style-type: none"> <li>▪ First floor ¾ bathroom shall have accessible shower, water closet, and lavatory, and both first floor ¾ bath and second floor full bath shall comply with Fair Housing Amendments Act (FHAA) guidelines for accessible bathroom.</li> <li>▪ Bathroom must have floor space of at least 2'-6" x 4' clear (to allow a person in a wheelchair to turn around and close the door behind him/herself)</li> <li>▪ Reinforced walls in bathrooms (for future grab bars)</li> <li>▪ Lever hardware on all faucets</li> </ul>



Category	Building Type	Standard/Requirement
		<ul style="list-style-type: none"> <li>Bathroom exhaust fans</li> <li>Mechanical ventilation ducted to the exterior for all washrooms.</li> </ul>
	2-unit building and condominium	<ul style="list-style-type: none"> <li>Reinforced walls in bathrooms (for future grab bars)</li> <li>Bathroom must have floor space of at least 2'-6" x 4' clear (to allow a person in a wheelchair to turn around and close the door behind him/herself)</li> <li>Lever hardware on all faucets</li> <li>Bathroom exhaust fans</li> </ul>
<b>Kitchens</b>	Single-family, 2-unit building and condominium	<ul style="list-style-type: none"> <li>Kitchens with clearances and elevations per Illinois Accessibility Code (IAC/ADA/FHAA).</li> <li>Removable cabinet under the sink with finished floor tiles underneath.</li> <li>Provide an optional design for a lower counter top at sink location per Illinois Accessibility Code (IAC/ADA/FHAA).</li> <li>Lever hardware on all faucets</li> <li>Mechanical ventilation ducted to the exterior for all kitchens.</li> </ul>
<b>Closets</b>	Single-family, 2-unit building and condominium	<ul style="list-style-type: none"> <li>Sliding doors or two hinge doors required for all closets, with accessible hardware.</li> <li>No luan doors.</li> </ul>
<b>Doors / Windows</b>	Single-family, 2-unit building and condominium	<ul style="list-style-type: none"> <li>Lever hardware on all doors.</li> <li>Minimum interior 2'-10" doors throughout (32" clearance).</li> <li>No luan doors.</li> <li>Low E double pane insulated windows and insulated thermal core exterior doors with weatherstripping.</li> </ul>
<b>Basement</b>	Single-family	<ul style="list-style-type: none"> <li>Basement not to exceed ½ total depth below grade.</li> </ul>
	2-unit building and condominium	<ul style="list-style-type: none"> <li>Garden units to be not more than 2'-0" below grade, with full size windows and an ambience similar to standard dwellings.</li> <li>Basement not to exceed ½ of total depth below grade.</li> <li>Basement space not to be used as rental space.</li> </ul>
<b>Building Exterior</b>	Single-family, 2-unit building, and condominium	<ul style="list-style-type: none"> <li>Exterior treatment should be compatible with surrounding neighborhood.</li> <li>Masonry veneer with 4-foot wrap for the front façade mandatory where existing buildings in the neighborhood are predominantly masonry structure.</li> <li>Side elevation exposed to the street should have architectural treatment consistent with front elevation (applies to corner lots).</li> <li>Alternate façade designs (with optional treatments such as bay windows, etc.) are required to add variety</li> <li>Regionally-produced brick on 50% or more of exterior brick wall area</li> </ul>
<b>Front Porch</b>	Single-family, 2 unit building, and condominium	<ul style="list-style-type: none"> <li>Porch design shall be well-defined and desirable character to be compatible with the architectural character of neighboring buildings.</li> </ul>

Category	Building Type	Standard/Requirement
		<ul style="list-style-type: none"> <li>If constructed of wood, front porches must be primed and painted or stained.</li> </ul>
Landscaping	Single-family, 2-unit building, and condominium	<ul style="list-style-type: none"> <li>Sod planted in front and rear yards</li> <li>Mulch or ground cover may be used under porches and in side yards less than three feet wide</li> <li>Provide concrete service walks or pavers connecting rear and front yards</li> <li>Substantial landscaping at front yard. Minimum five shrubs, one ornamental tree, and mulch to depth of 3 inches are required in front yard.</li> <li>Minimum 4'0" high ornamental fencing and gate at front yard with return to face of building.</li> <li>4'0" minimum chain link fence with gates are acceptable along rear and side property lines.</li> <li>Grading and landscaping to promote on-site water retention</li> </ul>
Parking	Single-family, 2-unit building, and condominium	<ul style="list-style-type: none"> <li>Vehicular access to required off-street parking shall be from existing alleys.</li> <li>A minimum of one off-street parking space per unit must be provided as per Zoning code.</li> </ul>
Electrical	Single-family, 2-unit building, and condominium	<ul style="list-style-type: none"> <li>Receptacles between 15" and 48" switches above finished floor.</li> <li>If unit is multi-story, one of the following must be provided: Wheelchair lift power (junction box) at top of a staircase with a minimum four foot width stair and clearances at top and bottom stairwell in accordance with the Chicago Building Code and ANSI guidelines to accommodate a person in a wheelchair. <u>OR</u> Elevator/lift shaft and power. The shaft may be enclosed in a large closet for future installation of an elevator, low utility lift, or wheelchair lift.</li> </ul>
Central Air-Conditioning	Single-family, 2-unit building, and condominium	<ul style="list-style-type: none"> <li>Rough-out mandatory: cooling coil, refrigeration lines and electrical conduit.</li> </ul>
Utilities	Single-family	<ul style="list-style-type: none"> <li>Provide adequate size furnaces to meet heat load calculations based on building square footage and the Chicago Building Code requirements.</li> <li>A minimum 50 gallon hot water tank is required.</li> <li>Furnace and hot water heater should have an Annual Fuel Utilization Efficiency (AFUE) rating of 90% or greater.</li> <li>Duct system designed and sized using load calculations.</li> <li>All duct joints sealed with duct mastic or approved tape.</li> <li>Locate furnace/boiler centrally within building.</li> <li>Insulated exposed hot water pipes at a minimum of 3'0" feet from water heater.</li> <li>Water heater located within 20 feet of dish/clothes washers.</li> </ul>
	2-unit building	<ul style="list-style-type: none"> <li>If individual systems are used, they shall meet all the requirements above.</li> <li>Separate furnaces and hot water tanks for each</li> </ul>

Category	Building Type	Standard/Requirement
		unit. <ul style="list-style-type: none"> <li>▪ A minimum 50 gallon hot water tank is required in owner unit.</li> <li>▪ A minimum 40 gallon hot water tank is required in rental unit.</li> <li>▪ Direct access to owner's utilities must be outside of tenant's apartment space</li> </ul>
	Condominium	<ul style="list-style-type: none"> <li>▪ If individual systems are used, they shall meet all the requirements listed above</li> </ul>
<b>Appliances</b>	Single-family, 2-unit building, and condominium	<ul style="list-style-type: none"> <li>▪ Range, refrigerator, dishwasher, and ducted range hood in each unit.</li> <li>▪ All appliances must be Energy Star compliant</li> <li>▪ Washer and dryer hook-up (grey box mandatory) in each unit, except where there is a common laundry facility</li> </ul>
<b>Insulation Standards</b>	Single-family, 2-unit building, and condominium	<ul style="list-style-type: none"> <li>▪ Attic and roof insulation of minimum R-38.</li> <li>▪ Exterior wall insulation of minimum R-19</li> <li>▪ Rigid perimeter or batt insulation of R-19 or better as part of floor system in buildings with crawl space.</li> <li>▪ Vapor barrier in the crawlspace, wall and attic.</li> <li>▪ Air infiltration barrier on the perimeter walls.</li> <li>▪ 2" rigid insulation required on foundation walls.</li> <li>▪ Acoustic insulation (such as sound batt and resilient channels) between dwelling units and around bathrooms mandatory.</li> <li>▪ Sill plate sealed with gasket.</li> </ul>
<b>Security</b>	Single-family, 2-unit building and condominium	<ul style="list-style-type: none"> <li>▪ Self-contained alarm system is mandatory (connection to monitoring system is the owner's responsibility)</li> </ul>
<b>Miscellaneous</b>	Single-family, 2-unit building and condominium	<ul style="list-style-type: none"> <li>▪ All units must have provisions for bulk storage.</li> <li>▪ Wind resistant design per Chicago Building Code</li> <li>▪ Cable and Internet capacity wiring required</li> <li>▪ Low VOC interior paints</li> <li>▪ Provide homeowner's manual to homebuyer</li> </ul>

# Attachment 2

## Fee Waiver Summary

The following is a summary of the fee waivers offered through the New Homes for Chicago program:

### **Department of Construction and Permits**

Plan review, permit and field inspection fees are to be paid in full for the first unit of each unit type; the fees paid for each successive unit type would be reduced by 50%. The fee reduction is not applicable to the electrical permit.

### **Department of Community Development**

Trees and sod in parkways are provided on an as-needed basis in coordination with the Department of Transportation's reconstruction of sidewalks, curbs and gutters.

### **Department of Planning and Development**

Open Space Impact fees are not waived. For the New Homes for Chicago program, an Open Space Impact fee of \$100 per unit will be assessed to the developer to be paid to the City of Chicago as a condition of issuance of a building permit.

### **Department of Water Management**

Connection fees are waived.

Inspection fees are waived.

Tap fees are waived.

Demolition fees for existing water tap are waived.

Water liens against City-owned lots only are waived.

(B-boxes, meters and remote readouts are not waived and need to be purchased.)

### **Department of Streets and Sanitation**

Street opening or patching fees, deposits or bonds are not waived.

### **Department of Transportation**

Curbs, gutters and sidewalks are provided on an as-needed basis. Street and alley repairs or repaving are not provided through the New Homes for Chicago program.

### **Department of Zoning**

Zoning approval is required as part of the building permit process and is covered under the building permit fee schedule described above. However, any private legal work, such as giving notice to nearby property owners if a zoning change is requested, is not waived.

# Attachment 3

## Buyer Eligibility Requirements and Recapture Provisions

### 1. Who is eligible to purchase a home in a New Homes for Chicago development?

For the affordable homes (single family homes and two-flat buildings) in a New Homes for Chicago development, buyers must have a household income **at or below 120%** of the area median income.

Up to 20% of the units in a development can be sold at market-rate prices. This means there are no caps on the sales price of the home and there are no restrictions on the income of the buyer.

Individuals who are not currently residents of the City of Chicago are eligible to purchase New Homes for Chicago units.

Employees of the City of Chicago are eligible to purchase New Homes for Chicago units, provided that they meet the program's other eligibility requirements.

### 2. Who is eligible to receive buyer subsidies under New Homes for Chicago?

**Purchase Price Subsidy:** Up to \$10,000 is available for buyers of single-family homes with a household income **at or below 100%** of the area median income or up to \$30,000 for buyers of 2-flat buildings

**Additional Purchase Price Subsidy:** Up to \$20,000 for buyers of single-family homes with a household income **between 61% and 80%** of the area median income or up to \$30,000 for buyers of single-family homes with a household income **at or below 60%** of the area median income. Buyers of 2-flat buildings are not eligible to receive Additional Purchase Price Subsidy.

**Difficult to Develop Area (DDA) Subsidy:** Up to \$20,000 for buyers of single-family homes and 2-flat buildings that are located in difficult to develop areas. **Buyers at all income levels** are eligible to receive the DDA subsidy, and buyers of market rate units can receive this subsidy as well. Developers should submit a Difficult to Develop Area Justification with their application if they would like buyers in their development to be eligible for the DDA subsidy. No more than \$500,000 in DDA subsidies will be awarded to an individual New Homes for Chicago development.

### 3. What are the recapture provisions for any assistance that the buyer receives through the New Homes for Chicago program?

**Amount of land write-down up to \$50,000:** Forgiven over four years, with 25% being forgiven each year.

**Amount of land write-down over \$50,000:** Subject to repayment at up to 3% interest if the home is sold within the first forty years after the purchase date, unless the home is sold to an affordable buyer.

**Purchase Price Subsidy:** Forgiven over four years, with 25% being forgiven each year.

**Additional Purchase Price Subsidy:** Subject to repayment at up to 3% interest if the home is sold within the first forty years after the purchase date. Repayment is due even if home is sold to an affordable buyer.

**Difficult to Develop Area (DDA) Subsidy:** Forgiven over four years, with 25% being forgiven each year.

# Attachment 4

## Income Limits Table

Effective March 8, 2006

Household Size	30% Area Median Income	50% Area Median Income (HUD Very Low Income Limit)	60% Area Median Income	80% Area Median Income (HUD Low Income Limit)	100% Area Median Income	120% Area Median Income	140% Area Median Income
<b>1 person</b>	15,850	26,400	31,680	41,700	52,800	63,350	73,900
<b>2 persons</b>	18,100	30,150	36,180	47,700	60,300	72,350	84,400
<b>3 persons</b>	20,350	33,950	40,740	53,650	67,900	81,500	95,050
<b>4 persons</b>	22,600	37,700	45,240	59,600	75,400	90,500	105,550
<b>5 persons</b>	24,450	40,700	48,840	64,350	81,400	97,700	113,950
<b>6 persons</b>	26,250	43,750	52,500	69,150	87,500	105,000	122,500
<b>7 persons</b>	28,050	46,750	56,100	73,900	93,500	112,200	130,900
<b>8 persons</b>	29,850	49,750	59,700	78,650	99,500	119,400	139,300

Income limits are based on the Chicago-Naperville-Joliet HMFA median family income of \$72,400 for a family of four (4), as adjusted by HUD.

Effective until superseded.

Income limits for 30%, 50%, 60%, and 80% as published by HUD. Income limits for 65%, 90%, 95%, 100%, 115%, 120%, and 140% extrapolated per HUD methodology (PDR 2006-02) following HUD protocols of rounding all income limits to the nearest \$50

# Attachment 5

## Homeownership Housing Counseling Centers (HHCCs)

Homeownership Housing Counseling Centers (HHCCs) provide counseling in order to expand homeownership opportunities and decrease the rate of foreclosure among low- and moderate-income households.

HHCCs participate in a city-wide network of delegate agencies and collaborate with DCD in advancing broader community development objectives.

All centers are HUD-certified counseling agencies and provide assistance to persons who are:

- First-time homebuyers seeking pre-purchase counseling and information on the obligations and responsibilities associated with owning a home
- Delinquent 31 or more days in their mortgage payments and threatened with foreclosure.

It is important that persons interested in scheduling a counseling session contact the HHCC of their choice at the onset of their home search or mortgage payment problem. Information and options are key in a home purchase or foreclosure situation; alternatives can diminish or disappear if counseling occurs too late.

Cheryl Leonard is the DCD staff person who works with the HHCCs, and she may be reached at: 312-742-0057. The following is a list of DCD-funded HHCCs for 2006. This list will be updated annually on DCD's website.

### **Acorn Housing Corporation**

209 W. Jackson, #301  
Chicago, IL 60606  
Phone: (312) 939-1611  
Fax: (312) 939-4239  
Contact: Munai Newash, ext. 155  
Email: [ahcillcch@acorn.org](mailto:ahcillcch@acorn.org)

### **Neighborhood Housing Services of Chicago, Inc.**

1279 N. Milwaukee Ave.  
Chicago, IL 60622  
Phone: (773) 522-4637 ext.15  
Fax: (773) 522-4890  
Contact: Charles Leeks  
Email: [cleeks@nhschicago.org](mailto:cleeks@nhschicago.org)

### **Chicago Urban League Development Corporation**

4510 S. Michigan Avenue  
Chicago, IL 60653  
Phone: (773) 451-3607  
Fax: (773) 285-0879  
Contact: Margaret Wooten  
Email: [mwooten@cul-chicago.org](mailto:mwooten@cul-chicago.org)

### **Rogers Park Community Development Corporation**

1530 W. Morse Avenue  
Chicago, IL 60626  
Phone: (773) 338-7732, Ext. 22  
Fax: (773) 338-7774  
Contact: Caleb Sjoblom  
Email: [RPCDC@rogerspark.org](mailto:RPCDC@rogerspark.org)

### **Latin United Community Housing Association**

3541 W. North Avenue  
Chicago, IL 60647  
Phone: (773) 276-5338 ext. 234  
Fax: (773) 276-5358  
Contact: Juan Rivera; Eliseo Barbosa  
Email: [jbrivera@lucha.org](mailto:jbrivera@lucha.org); [ebarbosa@lucha.org](mailto:ebarbosa@lucha.org)

### **Spanish Coalition for Housing**

4035 W. North Avenue  
Chicago, IL 60639  
Phone: (773) 292-5784  
Fax: (773) 342-7304  
Contact: Teresa Lambarry  
Email: [tlambarry@spanishcoalitionforhousing.com](mailto:tlambarry@spanishcoalitionforhousing.com)

# **Attachment 6**

## **Additional Reference Materials**

The following information may be helpful in developing your New Homes for Chicago application and is available at the DCD website ([www.cityofchicago.org/dcd](http://www.cityofchicago.org/dcd)):

- New Homes for Chicago Enabling Ordinance
- Chapter 2-92 of the Municipal Code, City Resident Hiring Preference & MBE/WBE Participation