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New Round of Financing Proposed for TaxSmart Mortgage Program

First-time homebuyers would be eligible for a new round of mortgage-based tax breaks under a financial proposal introduced to City Council today by Mayor Rahm Emanuel.

The measure would authorize \$80 million in bond funding for the City of Chicago's TaxSmart Mortgage Certificate Program, which provides eligible first-time buyers with federal income tax credits that are applicable over the term of their mortgages. The 2013 funding round would assist approximately 600 homebuyers over the next three years.

"As Chicago's housing market continues to build momentum, this measure would help to ensure that income-qualified households throughout the city will participate in its recovery," Mayor Emanuel said.

Under the TaxSmart program, 20 percent of a buyer's mortgage interest is eligible for a dollar-for-dollar reduction in federal income tax liability.

To qualify, buyers must be purchasing new or existing 1-4 unit properties that would serve as their primary residences. Homebuyers with down payments less than 5 percent of the purchase price would have to attend pre-purchase counseling to be eligible. Household income, purchase price limits, and other guidelines would also apply.

The program would be administered through a to-be-determined network of local lenders. The 2010 TaxSmart funding round benefitted more than 400 Chicago homebuyers. Since 2005, TaxSmart has helped 1,600 households purchase homes with mortgages valued at nearly \$281 million.

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Expansion Proposed for South Side Senior Apartment Complex

The seven-story, second phase of the Montclare Senior Residences of Avalon Park complex would move forward under financial measures introduced today to City Council by Mayor Rahm Emanuel. The \$29 million expansion, planned for a City-owned land at 1201 E. 77th St., would create 122 apartments, 109 of which would be rented to seniors earning up to 60 percent of area median income.

“Safe and comfortable senior housing is an essential component of the City’s affordable housing agenda,” Mayor Emanuel said. “These measures support these goals.”

The City would sell the 1.76 acre site valued at \$1.95 million for \$1, provide a \$6.7 million loan, and issue \$1.4 million in Low Income Housing Tax Credits that would generate \$14.8 million in equity for the project.

Additional City support would include \$650,000 from the Low Income Housing Trust Fund, which provides rental subsidies to landlords who rent to low-income tenants.

The L-shaped structure, to be developed by Avalon Park Phase II LLC, would include a mix of studio, one- and two-bedroom apartments for independent seniors at least 62 years of age.

The 102-unit first phase of the complex was completed in 2009. The two phases would share a lobby, activity rooms and laundry facilities located in the original building.

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TIF Proposed for New Lighting at Southwest Side Park

West Lawn Little Leaguers would enjoy baseball under the lights through a financial proposal made to City Council today by Mayor Rahm Emanuel.

Tax Increment Financing (TIF) in the amount of \$110,000 would support the installation of athletic field lighting fixtures at Chicago Park District facility #484 at 4701 W. 67th St. The lights would illuminate the nine-acre park’s main baseball diamond to accommodate a growing baseball program and create a safer playing area. Total project cost would be \$110,000.

The park site includes five baseball fields with backstops, dugouts, and bleachers; an arboretum; walking paths; and picnic areas. The park also serves as a portion of the Mariano Azuela Elementary School campus.

Park #484 is also known as Michael J. Madigan Sr. Park. Madigan was a lifelong resident of Chicago, prominent community member, and civic leader from the Southwest Side. He died in 1966 at the age of 60.

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