



OFFICE OF THE MAYOR
CITY OF CHICAGO



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**MAYOR RAHM EMANUEL AND COMMUNITY INVESTMENT CORPORATION
ANNOUNCE FUND TO INVEST \$30 MILLION IN AFFORDABLE HOUSING**

*Opportunity Investment Fund Will Support Creation and Preservation of
Affordable Housing in High-Cost and Gentrifying Markets Across Chicago*

Mayor Rahm Emanuel and the Community Investment Corporation (CIC) today announced the Chicago Opportunity Investment Fund, a new initiative designed to create and preserve affordable rental housing across Chicago. The \$30 million fund will provide low-cost financing to developers purchasing existing multifamily buildings if they guarantee affordable units in their properties for the next fifteen years.

“Every resident of Chicago deserves a great place to call home,” Mayor Emanuel said. “When the public sector, private sector and non-profits work together we can create stronger communities and make affordable choices available for all Chicagoans.”

The fund will focus investments in strong markets, where the cost of acquiring and preserving affordable housing is often prohibitive. The initiative is designed to expand access to neighborhoods where rental costs are continually rising for low income residents and families. The Community Investment Corporation has designed a streamlined model that catalyzes support from government, private lenders and social impact investors. The City of Chicago is providing \$5 million to leverage \$25 million in private and other investment for the fund.

“By providing developers with low cost equity, the Opportunity Investment Fund will quickly and efficiently create affordable units in strong markets,” CIC President & CEO John G. Markowski said.

The fund will provide low-cost debt to developers who purchase existing, functioning rental buildings in strong markets. In exchange, they must keep at least 20 percent of those units affordable for at least 15 years. The program’s \$30 million in investment will generate 300 affordable units in strong markets, and 1,500 mixed income units overall.

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The program is designed to attract both private and social impact investment and allow investment in areas where the typical, complex subsidy models simply cannot compete. MB Bank has contributed approximately \$4 million to the fund.

“MB is proud to support the expansion of affordable housing options in Chicago,” Mitch Feiger, President and CEO MB Financial, Inc., said. “Our commitment to investing in and building strong and vibrant communities where we live and work is fundamental to our mission.”

CIBC Bank USA, BMO Harris Bank, Byline Bank and TCF Bank assisted in development of the structure of the fund, and are considering investments in it. The Illinois Housing Development Authority is also considering committing resources to the and \$3 million of support is from the U.S. Department of Treasury’s Capital Magnet Fund.

The City’s contribution will be supported by funding from the Affordable Housing Opportunity Fund, which receives fees paid by developers that are subject to the City’s Affordable Requirements Ordinance.

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