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**MAYOR EMANUEL ANNOUNCES PILOT PROGRAM TO PRESERVE MORE
AFFORDABLE HOUSING OPTIONS IN GENTRIFYING AREAS**

Innovative Program Latest City Tool to Ensure Access to Affordable Housing Across Chicago

Mayor Rahm Emanuel today announced a new pilot housing program that will preserve affordable units in gentrifying neighborhoods across Chicago. The Preservation of Existing Affordable Rental (PEAR) program provides City financial assistance for the purchase or refinance of multi-family residential buildings in exchange for affordable rental covenants over a 30-year term.

"No matter who you are or where you live in the city of Chicago, every family and every resident deserves to the chance to make a great home, thrive and be proud of their community," Mayor Emanuel said. "This program is the latest innovative approach we are adding to ensure affordable access to housing for everyone who is living, working or raising a family in Chicago."

At least 20 percent of the units that are purchased or refinanced through the program must remain affordable for tenants earning up to 80 percent of the area median income, or \$67,700 for a household of four.

Through PEAR, the non-profit Chicago Metropolitan Housing Development Corp. (CMHDC) recently rehabilitated foreclosed apartment buildings in Albany Park, Lincoln Square, Belmont Cragin, West Ridge and Austin. In exchange for a \$2 million, zero-interest loan it used to refinance existing debt, CMHDC is preserving 15 of the 42 total units as affordable through 2047. Funding for the loan was provided by the City's Affordable Housing Opportunity Fund.

"The PEAR program allows the City to preserve affordable units in high cost areas at a low acquisition cost. Equally important is the fact that residents are able to remain in their units as the housing cost increases in their community," CMHDC Executive Director Rafael Leon said. "It is another way to help families who have lived in a community for a long time and are threatened with displacement."

The rehabilitation work included new kitchens and baths, refinished hardwood flooring, painting, and updated building systems, in addition to other improvements. CMHDC specifically targeted existing affordable buildings that were under foreclosure through the

assistance of Albany Park-based community advocacy group Renters Organizing Ourselves to Stay (ROOTS).

Administered by the Department of Planning and Development, the program is the latest created by Mayor Emanuel to increase access to affordable housing for people across Chicago. Earlier this week the Mayor announced plans to create the Chicago Department of Housing, a City department exclusively focused on access to housing in all neighborhoods. The department will advance Chicago's affordable housing strategies and create a long-term approach to address the unique and constantly changing needs of housing aligned with the next Five-Year Housing Plan, which is currently in development.

The Mayor is also launching a pilot program to help residents purchase newly built affordable homes in Chicago neighborhoods where the housing market is still recovering from the Great Recession. Eligible residents will receive purchase price assistance to buy homes that were built on vacant, City-owned lots transferred to developers of affordable single-family homes for \$1 each. The pilot program will include portions of Englewood, Lawndale, Little Village, Humboldt Park/Garfield Park and Woodlawn, where the City is making other catalytic investments in parks, schools, business and housing.

Last week Mayor Emanuel announced a plan to expand the City's transit-oriented development (TOD) policy to include high-ridership, high-frequency CTA bus routes, initially focusing on the highest trafficked routes of Western, Ashland, Chicago Avenue and 79th Street. Chicago's existing TOD policy supports development around Chicago's train lines to both encourage lower carbon transportation choices and reduce household costs associated with car ownership. Reforms to be designed and introduced in 2019 will extend this innovative program to bus lines to encourage affordability and connect neighborhoods.

Also last week the Mayor announced a \$30 million fund to provide low-cost financing to developers purchasing existing multifamily buildings in high cost and gentrifying areas if they guarantee affordable rental units in their properties for the next 15 years. The fund, managed by Community Investment Corporation (CIC), will focus investments in strong markets where rents are rising and the costs of developing new affordable housing is often prohibitive to expand access for low income Chicagoans. This program assists in the acquisition of units, and the PEAR program assists following acquisition.

Earlier this week Mayor Emanuel announced a commitment to support 1,600 new units of housing for individuals and families experiencing homelessness in Chicago, a 21 percent increase in available housing for Chicago's most vulnerable residents. The new units will serve to more quickly move individuals out of Chicago's shelter system or off the street by providing housing and the supports needed to help individuals and families gain or regain independence.

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