



**FOR IMMEDIATE RELEASE**

December 15, 2021

**CONTACT:**

Mayor’s Press Office

312.744.3334

[press@cityofchicago.org](mailto:press@cityofchicago.org)

**TAXSMART HOMEBUYER PROGRAM WOULD CONTINUE TO PROVIDE INCENTIVES TO SUPPORT NEW HOMEBUYERS**

An ordinance to authorize the Commissioner of the Department of Housing (DOH) to continue to issue its Single-Family Mortgage Credit Certificate Program, known as the TaxSmart Program was introduced to City Council today by Mayor Lori E. Lightfoot. This program provides homebuyers with a direct dollar-for-dollar reduction of federal taxes due to the Internal Revenue Service (IRS). The TaxSmart Program provides a federal tax credit of up to \$2,000 per year to home buyers for the life of mortgage loan and thereby increases a home buyer’s income and income ratios utilized for mortgage loan qualification. Homebuyers can refinance their mortgage loan and retain their Mortgage Credit Certificate.

The new allocation of \$75 million of the City’s activity bond volume cap to implement the new series will allow the department to issue Series 2022 Mortgage Credit Certificates to home buyers in the City of Chicago for the next three-year period (2022 -2024) assisting approximately 300 home buyers. Federal law requires program applicants to satisfy the income and purchase price limits. Applicants who are not first-time homebuyers must purchase in a target area.

**TaxSmart Series 2022 First-Time Homebuyer or Target Area Purchase Requirements:**

**Income Limits:**

	Non-Target Area	Target Area
Less than 3 person household:	\$93,200	\$111,840
3 or more person household:	\$107,180	\$130,480

**Purchase Price Limits:**

	Non-Target Area		Target Area	
	Existing	New	Existing	New
1 Unit	\$332,236	\$332,236	\$406,066	\$406,066
2 Units	\$425,297	Ineligible	\$519,807	\$519,807
3 Units	\$514,112	Ineligible	\$628,359	Ineligible



4 Units                                      \$638,908                      Ineligible                      \$780,888                      Ineligible

Since 2005, the TaxSmart Program has assisted 2,132 households with mortgages loans for a total of more than \$321 million. TaxSmart Series 2019 has assisted 115 households with mortgage loans totaling over \$23 million as of September 2021 – 50 of which are at or below 80% of the area median income (AMI). The TaxSmart program promotes homeownership in all Chicago neighborhoods thus increasing neighborhood stability.

###

### **EIGHT NEW TWO-UNIT HOMES PLANNED FOR NORTH LAWNSDALE**

An ordinance to authorize the sale of seven (7) parcels to Prodigy LLC to facilitate the construction of eight (8) two-unit homes under the City Lots for Working Families (CL4WF) program was introduced to City Council today by Mayor Lori E. Lightfoot.

The City Lots for Working Families program was approved by City Council in November 2017 and authorizes the sale of city lots for \$1 (per buildable lot) to provide an incentive for developers to build new housing. Seventy-five percent of the homes must be priced to be affordable to purchasers at the 120% area median income (AMI) level. Emelin Brown is the Managing Principal.

###

### **NEW ORDINANCE WOULD WAIVE CITY DEBT ON VACANT AND ABANDONED PROPERTIES IN LOW- AND MODERATE-INCOME COMMUNITIES FOR COMMUNITY REVITALIZATION**

An ordinance introduced to City Council today by Mayor Lori E. Lightfoot would relieve City debt on vacant and abandoned properties in low- to moderate-income communities that have the opportunity for rehabilitation and reoccupation for homeownership and business development. Supported by the Departments of Housing (DOH), Law (DOL), and Buildings (DOB) for community revitalization, DOH plans to utilize various housing preservation programs to increase the opportunity to bring vacant and abandoned buildings into low to moderate income neighborhoods.

“This ordinance will serve as an incentive to developers who will not have to cover existing costs on a property before developing on the site,” said Alderman Greg Mitchell, 7<sup>th</sup>. “Adopting debt they aren’t responsible for makes it difficult to



CITY OF CHICAGO • OFFICE OF THE MAYOR



revitalize buildings in these neighborhoods, this is a necessary step toward new developments in the community.”

The Encumbrance Ordinance would provide the authority to waive City debt and it is a necessary component of revitalizing buildings in low to moderate income communities where values are low and the ability to develop without subsidy is almost impossible. Waiving City debt eliminates the hurdle of added costs to properties that are already under-valued and provides an incentive to redevelop the lots.

###

### **PRESERVATION PLANNED FOR 272 UNITS AT THE BARBARA JEAN WRIGHT APARTMENTS IN UNIVERSITY VILLAGE/LITTLE VILLAGE**

An ordinance introduced to City Council today by Mayor Lori E. Lightfoot would issue bond inducement of up to \$46 million in Multi-Family Housing Loan Funds to finance the acquisition and moderate rehabilitation of the Barbara Jean Wright Apartments located at 1354 S. Morgan (multiple sites generally bounded by Maxwell St/Morgan St/14th Pl/Racine Ave/Blue Island). This project consists of 272 units in 12 garden-style four-story apartment buildings and 15 two-story townhomes in the University Village/Little Italy area.

Of the 272 units, 251 are for tenants at 60% area median income (AMI) or below and the remaining 21 units have unrestricted rents. The apartment complex, spread over an 11.5-acre campus, was originally constructed in 1972, and ownership was transferred to the Chicago Community Development Corporation (CCDC) in 1999. CCDC proposes to sell it to Jonathan Rose Companies. The total project cost is estimated at \$73 million and will be funded with a HUD FHA loan, approximately \$2.4 million in 4% low-income housing tax credits, and up to \$4 million in TIF funds from the Roosevelt/ Racine TIF.

The rehabilitation will include upgraded security, replacement of kitchens, bathrooms, flooring, and carpeting in units, interior painting, A/C, and new lighting. New amenities will include a 4,000-square foot community building with ancillary common spaces; provision of Wi-Fi to residents; supportive services and upgrades to the basketball court and playground maintenance.

###