

DEPARTMENT OF HOUSING CITY OF CHICAGO

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VARIOUS HOUSING MEASURES INTRODUCED TO CITY COUNCIL

DEPARTMENT OF HOUSING SEEKS AUTHORITY TO SELL FORMER DIPLOMAT MOTEL TO ADVANCE ITS NON-CONGREGATE SHELTER ACQUISITION PROGRAM

CHICAGO - The Chicago Department of Housing (DOH) is seeking disposition authority to sell the former Diplomat Hotel to Cornerstone Community Outreach (CCO). The property is located at 5230 N Lincoln Ave. A DOH non-congregate shelter acquisition program grantee, CCO would receive the property upon rehabilitation completion.

The building, previously slated to become "The Haven on Lincoln" in partnership with the Chicago Department of Public Health (CDPH), would now be sold to ensure the highest use of the property in alignment with program goals. Through the sale process, the property would serve in a similar program model as previously envisioned and align with the broader non-congregate shelter acquisition program model by establishing the grantee as owner.

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DEPARTMENT OF HOUSING SUBMITS CITY COUNCIL ORDINANCE REQUESTING THE SALE OF 14 CITY-OWNED LOTS

CHICAGO - An ordinance requesting the authority to negotiate and execute a City Lots for Working Families (CL4WF) agreement with Sunshine Management or a related entity has been submitted by the Chicago Department of Housing.

The agreement would allow the sale of 14 City-owned lots which would be sold for \$1 each. Per that sale, Sunshine Management would be able to construct up to ten budlings in order to create up to 39 condominium units. The CL4WF program also allows the waiver or reduction of some permit fees.

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CHICAGO COMMUNITY LAND TRUST WOULD BECOME PART OF DEPARTMENT OF HOUSING UNDER NEW PROPOSAL

CHICAGO - City Council introduced an ordinance to dissolve the Chicago Community Land Trust (CCLT) and distribute its assets to the Chicago Department of Housing's (DOH) Neighborhood Preservation Bureau.

The Chicago Community Land Trust (CCLT) was established by City Ordinance in January 2006 with the intent to create permanently affordable homeownership through ground leases, restrictive covenants, or long-term affordability agreements with homebuyers. CCLT was established as a not-for-profit 501(c)3 organization so that it could fundraise from the philanthropic community. In recent years, the Chicago Community Land Trust has been doing business as the Chicago Housing Trust (CHT).

The CCLT Board of Directors voted to dissolve the not-for-profit organization and to become part of DOH. The Departments of Law and DOH have worked with the CCLT/CHT Board of Directors and their attorneys to craft an Ordinance that will dissolve the organization and cancel its 501(c)3 status, as well as a 'Purchase, Sale, Assignment and Assumption Agreement' whereby the assets of the CCLT will be transferred to DOH.

Homeowners whose homes are currently in the CCLT portfolio would experience little change as the terms of their restrictive covenants/affordability agreements will remain in place and the process for sale of their units will still be handled by DOH staff.

CCLT has not become financially self-sufficient. CCLT was initially supported by an operating Grant from the MacArthur Foundation and then by annual allocations of funds from the City of Chicago. Over the years, it has received modest contributions from foundations, but not enough to support CCLT's staffing and operations. In addition to financial support for staffing and operations, the City has provided CCLT with in-kind support.

The incorporation of CCLT activity into the DOH Neighborhood Preservation Bureau would eliminate duplicative efforts, provide greater opportunities for homebuyers to enter into permanently affordable homeownership, and allow for a more comprehensive approach to the acquisition/rehab/resale of properties to prospective homeowner occupants.

There is no additional City funding required for this action. Expenses of the transfer would be covered by existing CCLT assets. Properties currently held by CCLT would be sold either to new homeowner occupants or to developers who will complete the rehab and sale.