Near West Side Neighborhoods

Housing Analysis and Opportunities

May 29, 2019
Project Purpose (Review)

• Undertake research on the area housing market to assist in establishing goals for affordability, density and design.

• Develop recommendations for using city-owned land for housing that address affordability, density and design.

• Create guidance documents for the community and the city to use in reviewing housing projects that require city-owned land and zoning changes.

Examples include:
• Goals for scattered city-owned lots
• Concept plans for clusters of city-owned land
• Design guidelines
How will we engage? (Review)

Step 1
• Gather data and share with community stakeholders

Step 2
• Develop tools to support community decision-making and host an educational workshop with residents

Step 3
• Co-design a community process for coordinated development decisions
Today’s Meeting (NEW)

• Report back on data requests made at the previous meeting
• Share additional maps to help guide conversation
• Provide more detailed information about housing programs
• Small group discussion: cluster sites
Previous Meeting (Review)

- Presented general data on existing housing units and affordability
  - Project materials can be found at:
    https://www.chicago.gov/nearwesthousing

- Reviewed existing housing programs
Data Requests (Review)

- Vacant lots
  - Residential zoning
  - Non-residential zoning
  - Privately-owned + City-owned
- MMRP areas
- ARO areas
- TIF districts
  - Example projects
  - TIF information
- Affordability
  - What is affordable?
    - Rental
    - For sale
- Other requests (not available): properties owned by religious organizations, properties in housing court, ADA-accessible units, and opportunities for local developers
Community Context and Housing Data: Round 2
East Garfield Park Housing Analysis

Vacant Land

- City-owned Vacant Lots by Zoning Type

<table>
<thead>
<tr>
<th>Zoning</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business and Commercial</td>
<td>13</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>6</td>
</tr>
<tr>
<td>Residential and Planned Development</td>
<td>15</td>
</tr>
</tbody>
</table>

- Kinzie Industrial Corridor

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**Zoning**

- Business and Commercial: 13 Acres
- Manufacturing: 6 Acres
- Residential and Planned Development: 15 Acres
East Garfield Park Housing Analysis

General Data Requests

- MMRP
East Garfield Park Housing Analysis

ARO Zones

- City-owned Vacant Parcel - M, PMD & T Zoning
- City-owned Vacant Parcel - B, C or PD Zoning
- Cook County Scavenger Sale Parcel
- Cook County Land Bank Parcel
- Community Investments or Proposed Projects
- City-owned Vacant Parcel - R Zoning

Kinzie Industrial Corridor

Parks

Study Area

Large surface parking lot

Parks

Kinzie Industrial Corridor

3-mile buffer from Lincoln Yards Development

ARO Pilot Zones
East Garfield Park Housing Analysis

General Data Requests – TIF Districts
East Garfield Park Housing Analysis
General Data Requests – TIF Projects

TIF Portal

https://webapps1.cityofchicago.org/ChicagoTif/
East Garfield Park Housing Analysis
General Data Requests – TIF Uses and Examples

- Infrastructure
- Developments
- Special Programs
  - Neighborhood Improvement Program (NIP)

CTA Damen Green Line Station

The Hatchery
## East Garfield Park Housing Analysis
### General Data Requests – Affordability for Home Purchase

### 2019 HUD Income Limits

**Issued April 24, 2019**

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Low Income Limit (80% Area Median Income)</th>
<th>90% Area Median Income</th>
<th>95% Area Median Income</th>
<th>100% Area Median Income</th>
<th>115% Area Median Income</th>
<th>120% Area Median Income</th>
<th>140% Area Median Income</th>
<th>150% Area Median Income</th>
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<tbody>
<tr>
<td>1 person</td>
<td>$49,950</td>
<td>$56,160</td>
<td>$59,280</td>
<td>$62,400</td>
<td>$71,760</td>
<td>$74,880</td>
<td>$87,360</td>
<td>$93,600</td>
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<tr>
<td>2 persons</td>
<td>$57,050</td>
<td>$64,170</td>
<td>$67,735</td>
<td>$71,300</td>
<td>$81,995</td>
<td>$85,560</td>
<td>$99,820</td>
<td>$106,950</td>
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<tr>
<td>3 persons</td>
<td>$64,200</td>
<td>$72,180</td>
<td>$76,190</td>
<td>$80,200</td>
<td>$92,230</td>
<td>$96,240</td>
<td>$112,280</td>
<td>$120,300</td>
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<tr>
<td>4 persons</td>
<td>$71,300</td>
<td>$80,190</td>
<td>$84,645</td>
<td>$89,100</td>
<td>$102,465</td>
<td>$106,920</td>
<td>$124,740</td>
<td>$133,650</td>
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<tr>
<td>5 persons</td>
<td>$77,050</td>
<td>$86,670</td>
<td>$91,485</td>
<td>$96,300</td>
<td>$110,745</td>
<td>$115,560</td>
<td>$134,820</td>
<td>$144,450</td>
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<tr>
<td>6 persons</td>
<td>$82,750</td>
<td>$93,060</td>
<td>$98,230</td>
<td>$103,400</td>
<td>$118,910</td>
<td>$124,080</td>
<td>$144,760</td>
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<tr>
<td>7 persons</td>
<td>$88,450</td>
<td>$99,450</td>
<td>$104,975</td>
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<td>$127,075</td>
<td>$132,600</td>
<td>$154,700</td>
<td>$165,750</td>
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<tr>
<td>8 persons</td>
<td>$94,150</td>
<td>$105,930</td>
<td>$111,815</td>
<td>$117,700</td>
<td>$135,355</td>
<td>$141,240</td>
<td>$164,780</td>
<td>$176,550</td>
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<tr>
<td>9 persons</td>
<td>$99,850</td>
<td>$112,320</td>
<td>$118,560</td>
<td>$124,800</td>
<td>$143,520</td>
<td>$149,760</td>
<td>$174,720</td>
<td>$187,200</td>
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<tr>
<td>10 persons</td>
<td>$105,550</td>
<td>$118,710</td>
<td>$125,305</td>
<td>$131,900</td>
<td>$151,685</td>
<td>$158,280</td>
<td>$184,660</td>
<td>$197,850</td>
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</tbody>
</table>
### Affordability Requirement

**33% of the gross household annual income**

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Household Size</th>
<th>Income</th>
<th>Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>80% AMI – HH 3</strong></td>
<td>$64,200</td>
<td>($5,350)</td>
<td><strong>Price</strong> $180,000&lt;br&gt;5% down $9,000&lt;br&gt;Principal &amp; Int. $897&lt;br&gt;tax, ins, PMI, etc. $874&lt;br&gt;Total monthly $1,771</td>
</tr>
<tr>
<td><strong>100% AMI – HH 3</strong></td>
<td>$80,200</td>
<td>($6,683)</td>
<td><strong>Price</strong> $250,000&lt;br&gt;5% down $12,500&lt;br&gt;Principal &amp; Int. $1,246&lt;br&gt;tax, ins, PMI, etc. $895&lt;br&gt;Total monthly $2,141</td>
</tr>
<tr>
<td><strong>120% AMI – HH 3</strong></td>
<td>$96,240</td>
<td>($8,020)</td>
<td><strong>Price</strong> $280,000&lt;br&gt;5% down $14,000&lt;br&gt;Principal &amp; Interest $1,396&lt;br&gt;tax, ins, PMI, etc. $1,135&lt;br&gt;Total monthly $2,530</td>
</tr>
</tbody>
</table>
## East Garfield Park Housing Analysis

### General Data Requests – Affordability for Single Family repair programs & ARO Rental

## 2019 HUD Income Limits

Issued April 24, 2019

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Very Low Income Limit (50% Area Median Income)</th>
<th>ARO Rental units 60% Area Median Income</th>
<th>65% Area Median Income</th>
<th>Low Income Limit (80% Area Median Income)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 person</td>
<td>$31,200</td>
<td>$37,440</td>
<td>$40,560</td>
<td>$49,950</td>
</tr>
<tr>
<td>2 persons</td>
<td>$35,650</td>
<td>$42,780</td>
<td>$46,345</td>
<td>$57,050</td>
</tr>
<tr>
<td>3 persons</td>
<td>$40,100</td>
<td>$48,120</td>
<td>$52,130</td>
<td>$64,200</td>
</tr>
<tr>
<td>4 persons</td>
<td>$44,550</td>
<td>$53,460</td>
<td>$57,915</td>
<td>$71,300</td>
</tr>
<tr>
<td>5 persons</td>
<td>$48,150</td>
<td>$57,780</td>
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<td>$85,735</td>
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</tr>
</tbody>
</table>
HOME BUYERS ASSISTANCE PROGRAMS

Programs are limited to funding availability and applicants must meet ALL eligibility requirements.

- **Pre-Purchase Housing Counseling**
  13 HUD-Certified counseling agencies

- **Neighborhood Lending Program (NLP)**
  Administered by: NHS of Chicago
  - Purchase and Purchase/Rehab Loans
  - Citywide program – no PMI – Competitive interest rates, Housing Quality Standard Inspections (HQS) and T.A. for rehab
  - Purchase Price Assistance - Forgivable Grants (80% AMI income limits)

- **Home Buyer Assistance Program**
  - City wide - limited to participating lenders – FHA/Conventional lending

- **TaxSmart - MCC Series 2019**
  - Citywide – limited to participating lender - Target and non-target area requirements 25% MCC
HOMEOWNERS ASSISTANCE PROGRAMS

Programs are limited to funding availability and applicants must meet ALL eligibility requirements

- Foreclosure Prevention and Post-Purchase Housing Counseling
- Chicago Bungalow Association (80%AMI)
- Emergency Heating Repair Program (80%AMI)
- Neighborhood Lending Program (NLP) – Home Improvement loans and grants (80% AMI)
- Roof and Porch Repair Program (80% AMI)
- Small Accessible Repairs for Senior’s (SARFS) 80%AMI
- TIF/Neighborhood Improvement Program 100% AMI – full grant & 140% AMI matching grant
  - 27th Ward Central West – 80.49% of district
  - Chicago / Central Park – 60.26% of district
  - Midwest – 10.69%
  - Division / Homan – 10.69%

Porch replacement
Ramp
What Does the Chicago Community Land Trust Do?

- The CCLT maintains a portfolio of newly-developed homes and condos, and existing homes whose owners ‘Opt-In’ to the CCLT.
- The CCLT monitors homes/units in developments that are built under the ARO; ensures that those homes are sold to income-eligible buyers at an affordable price; and manages the resale of CCLT homes to other income-eligible buyers at affordable prices.
- The CCLT’s agreement with the County Assessor ensures property taxes are based on the affordable price, not the market value.
- The CCLT provides workshops and other post-purchase education and training for owners with homes in the CCLT.
- The CCLT offers existing homeowners the opportunity to ‘Opt-In’ to the CCLT and the benefits of home repair grants and reduced property taxes.
- The CCLT can purchase existing homes and sell them at affordable prices to income-eligible buyers with the 30-year Deed Restriction attached to the property.
When a home is sold and placed into the CCLT, the home buyer signs an Affordable Housing Agreement & Covenant (Deed Restriction) which runs for 30 years.

The Affordable Housing Agreement & Covenant requires certain things:

1. The buyers of a CCLT home cannot own other residential property when they purchase a CCLT home;
2. The buyers of a CCLT home must be ‘income-eligible’ – typically this means that the buyers’ household income has to be equal to or less than the median income for that household size;
3. The buyers of a CCLT home agree that the home will be the principal residence of the buyers for as long as they own the home;
How does the Chicago Community Land Trust keep homes affordable?

• The buyers agree that when the time comes to sell the house, it will be sold to another ‘income-eligible’ buyer;
• The buyers agree that the resale price will be calculated according to a formula in the Affordable Housing Agreement & Covenant;
• Future buyers of the home take on the obligations, responsibilities and property tax benefits of the Affordable Housing Agreement & Covenant when they purchase the home, until the full 30 years has expired;
• Through an agreement with the County Assessor, homes in the CCLT portfolio are assessed at the affordable value – not the market value – and this reduces the property taxes.
What is the CCLT ‘OPT-IN’?

• ‘Opt-In’ is for single-family homes, 2-flats, townhomes or condos.
• Owners ‘Opting-in’ will benefit from reduced property taxes based on an affordable home value.
• Owners sign an ‘Affordable Housing Agreement & Covenant’ to keep the home affordable over the next 30 years.
• ‘Opting-In’ to the CCLT is one tool toward addressing the need for more affordable home ownership and keeping wealth in the neighborhood.
• ‘Opting-In’ creates a legacy for future owners so that they can enjoy the home and pass it on again.
• Provides a grant to Opt-In owners for home improvements.
Small Group Discussion
East Garfield Park Housing Analysis

Focus Areas

- Cluster areas
- Scattered sites
Small Group Discussion

1. Form up to 6 small groups
2. Each group will discuss one of the “cluster areas”

Questions for discussion:
• What are the unique considerations for this area?
• What are this area’s assets?
• What ideas for this area have already been discussed in the community?
• Please identify any problem buildings, vacant buildings or public safety concerns.
Small Group Report Back

• Please provide a brief summary of your small group’s discussion.
  • What are the unique considerations for this area?
  • What are this area’s assets?
  • What ideas for this area have already been discussed in the community?
  • Please identify any problem buildings, vacant buildings or public safety concerns.

• For the entire room: Is there additional information to include?
Next Steps

1. Refine maps and tools
2. Increase available resources on the website
3. Plan for and host educational and interactive workshops over the summer

Questions?