

Housing Preservation Strategy Panel Discussion

March 19, 2009

Background and Purpose

Strategy analysis – one step in *GO TO 2040* process

Describes “sample program” to increase housing preservation, resulting in 43,000 more affordable units over 30 years

Purpose of this stage – regional scenarios and estimates of totals, not site-specific or programming

Will be grouped with other strategies to form preservation-focused scenario – linked with energy conservation retrofits, historic preservation, urban design

Housing Presentation Overview

Define Housing Preservation

Develop sample housing preservation program, including:

- Identify the geographic focus of a sample program
- Determine the scale of a sample preservation program
- Determine the cost of a sample preservation program

Identify expected benefits of housing preservation

Housing Preservation- definition

...all actions that maximize the utility of the region's pre-existing housing stock to make a variety of housing options available to families at all income levels.

These include

- actions to maintain the affordability of restricted units
- rehabilitation assistance
- retrofitting homes for energy efficiency
- policies to mitigate teardowns

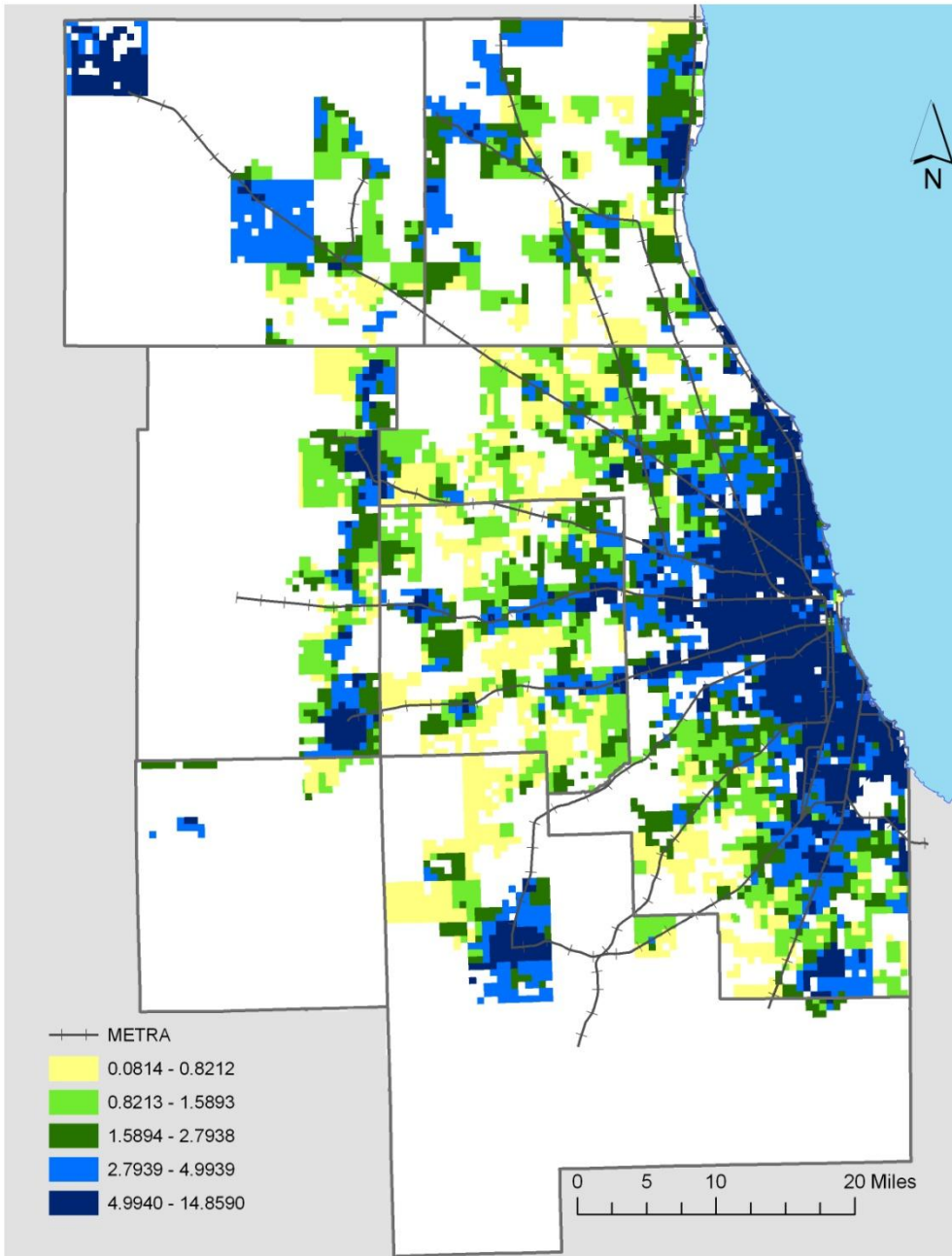


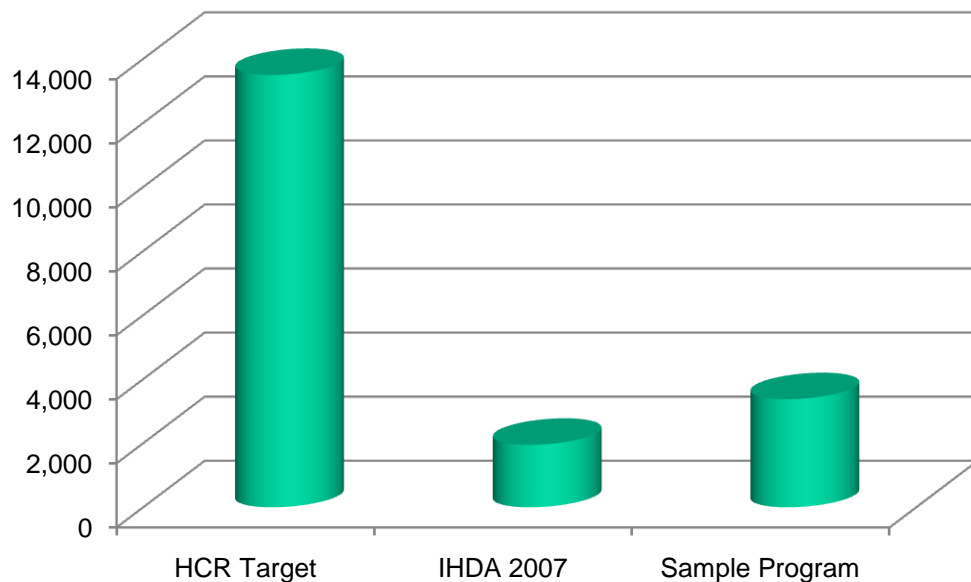
Identify Geographic Focus of Sample Program

2 Variables

- 1) % of units built before 1950
- 2) % of units with 2 or more financial or physical conditions

Distribute additional 42,750 preserved units among top 40% in index by 2040.





Determine Scale Of Sample Program

IHDA preservation activities contributed to 14.4% of the annual affordable housing target identified in HCR (13,500 units).

The sample program would increase that to 25% of the HCR target by preserving 1,425 additional units/year (42,750 units by 2040).



Determine the Cost of the Sample Program

The cost to IHDA for preserving an additional 42,750 units over 30 years is roughly 2 billion dollars.

Calls for increased investment in IHDA, specifically allocated to preservation activities.

This investment would be met with proportional increases from the private sector.

	Total Funding	Total Units	Per Unit	% Total
2007 IHDA Total	\$92,030,462	1,950	\$47,195	100.0%
2007 Multi-Family	\$90,401,462	1,671	\$54,100	85.7%
2007 Single-Family	\$1,629,000	279	\$5,839	14.3%
Sample Program	\$159,283,492	3375	\$47,195	100.0%
Sample Multi-Family	\$156,464,069	2,892	\$54,100	85.7%
Sample Single-Family	\$2,819,423	483	\$5,839	14.3%
annual increase	67,253,030	1,425		
2010-2040 increase	2,017,590,898	42,750		

Identify Expected Benefits

	Rent/Month			Owner Occupied Total Value		
	≤ \$699	\$700-799	≥ \$800	≤ \$99K	\$100K-\$124K	≥ \$125K
2040	920,722	235,911	521,837	676,082	366,719	2,225,904
2040SP	920,722	272,541	485,207	676,082	372,839	2,219,784
change	0	36,630	-36,630	0	6,120	-6,120

Reduction in gross housing costs/aggregate spending on housing production.

Preservation of community character

Reduction of construction and demolition waste.

Next Steps

Collect or consolidate better data on impacts of preservation activities.

Determine funding sources and describe implementation in greater detail.

Describe impacts of sample program on environment, growth and government revenues.



Questions/Comments

Drew Williams-Clark

awilliamsclark@cmap.illinois.gov

(312) 386-8770



Chicago Metropolitan
Agency for Planning