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.
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.

<table>
<thead>
<tr>
<th></th>
<th>Total Funding</th>
<th>Total Units</th>
<th>Per Unit</th>
<th>% Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007 IHDA Total</td>
<td>$92,030,462</td>
<td>1,950</td>
<td>$47,195</td>
<td>100.0%</td>
</tr>
<tr>
<td>2007 Multi-Family</td>
<td>$90,401,462</td>
<td>1,671</td>
<td>$54,100</td>
<td>85.7%</td>
</tr>
<tr>
<td>2007 Single-Family</td>
<td>$1,629,000</td>
<td>279</td>
<td>$5,839</td>
<td>14.3%</td>
</tr>
<tr>
<td>Sample Program</td>
<td>$159,283,492</td>
<td>3375</td>
<td>$47,195</td>
<td>100.0%</td>
</tr>
<tr>
<td>Sample Multi-Family</td>
<td>$156,464,069</td>
<td>2,892</td>
<td>$54,100</td>
<td>85.7%</td>
</tr>
<tr>
<td>Sample Single-Family</td>
<td>$2,819,423</td>
<td>483</td>
<td>$5,839</td>
<td>14.3%</td>
</tr>
</tbody>
</table>

annual increase 67,253,030 1,425
2010-2040 increase 2,017,590,898 42,750
Identify Expected Benefits

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

Preservation of community character

Reduction of construction and demolition waste.

<table>
<thead>
<tr>
<th>Rent/Month</th>
<th>Owner Occupied Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤ $699</td>
<td>≤ $99K</td>
</tr>
<tr>
<td>$700-799</td>
<td>$100K-$124K</td>
</tr>
<tr>
<td>≥ $800</td>
<td>≥ $125K</td>
</tr>
</tbody>
</table>

| 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    |
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