

Tracey Scott: Chicago faces a critical moment in its affordable housing crisis. It needs more federal funding.

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People rally for affordable housing in Chicago's Uptown neighborhood on Aug. 31, 2022. (Antonio Perez/Chicago Tribune)

Amid unprecedented congressional uncertainty and unfinished business regarding a 2024 budget, federal support for affordable housing is urgently needed in Chicago.

While the House narrowly avoided shutting down the federal government last month, members of Congress have yet to seriously address the critical

shortage of affordable housing and rapidly rising rental rates in Chicago and other urban areas. Even in less polarized times, the federal housing dollars that support the lowest-income Chicagoans have not been adequate to ensure everyone has a roof over their heads. What's concerning is that it's been widely reported that spending limitations may be in place and that housing funding for rental subsidies, public housing and affordable development tools will take a hit when Congress does get around to passing a budget.

It is no secret that Chicago is facing an affordable housing crisis. The Chicago Department of Housing estimates that the city needs about 120,000 more affordable housing units. Multiple indicators point to a continued rise in rental rates while other financial stressors such as price surges in everyday necessities mean families must stretch their dollars even further. Additionally, the ongoing migrant crisis has increased focus on the city's lack of affordable housing stock.

Here at the Chicago Housing Authority, more than 200,000 families have already applied for housing on the combined waitlists. CHA is the nation's third-largest public housing authority, currently serving more than 63,000 households. In fact, 1 in every 20 Chicagoans live in a CHA-subsidized home. About 98% of CHA's budget comes from federal funding through the U.S. Department of Housing and Urban Development.

The truth is that public housing authorities around the nation, including CHA, already do not receive enough federal funding to meet the demand for affordable housing, even as the need for it continues to grow. The proposed cuts also come as inflation has led to increased construction costs that are presenting staggering challenges to affordable housing developers' plans to build more affordable apartments. CHA and others are leveraging federal dollars along with all available tools to preserve existing public housing while also delivering more affordable units. Reduced federal housing funding would leave even more low-income families without stable homes and hamper ongoing development plans.

Across the country, public housing authorities estimate that at least \$80 billion worth of capital funding is needed to preserve existing public housing. Chicago, as the city with the nation's third most public housing units, is a prime example. CHA has been providing affordable housing since 1937, and the buildings in our public housing portfolio are, on average, more than 50 years old.

CHA's capital needs over the next five years exceed \$1 billion. This includes updating and replacing critical building systems, such as elevators, boilers, and cooling and heating systems, as well as modernizing individual apartments. While we are actively investing in preserving this housing stock with short- and long-term plans, our needs regularly exceed the amount of available funding, and we need ongoing congressional support in the appropriations process.

Despite funding challenges, CHA is committed to not only preserving the buildings that exist, but also creating more affordable and subsidized housing options in neighborhoods throughout the city. Currently, 15 housing developments are under construction, with more than 1,600 new mixed-income apartments. Six additional housing developments with more than 380 CHA and affordable apartments are expected to close in the coming months. Upcoming projects include developments at LeClaire in Garfield Ridge; Cabrini Green in Near North (Parkside 5 and Oak & Larrabee); Lathrop in Avondale and North Center; Southbridge, formerly Harold Ickes, in Near South; Ogden Commons in Lawndale; and Legends, formerly Robert Taylor Homes, in Bronzeville.

Since 2019, CHA's investments have resulted in more than 3,200 new apartments in 40 housing developments around the city. This progress is at risk if federal funding is cut just as our development pipeline is moving at its fastest pace in more than a decade. Our long-awaited local progress cannot afford disruptions from Washington.

Chicago's congressional delegation has historically supported affordable housing, and we thank them for their commitment to CHA's mission. We need more focus and support on federal housing funding at this critical moment as opposing voices in Congress are attempting to enact cuts that would harm housing services and slow long-fought progress. With the federal government making smart investments, we can further advance affordable housing and provide much-needed homes for Chicago families for generations to come.

Tracey Scott is CEO of the Chicago Housing Authority.