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Opinion: It's an extremely difficult environment for affordable housing. Here's how Mayor Johnson can make it better.

By Allison Clements



43 Green, a mixed-use, mixed-income project in Bronzeville.

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Last month, Crain's published a story highlighting construction costs for Invest South/West developments ("[Invest South/West projects ring up sky-high construction costs](#)," June 28). That same week, the DePaul Institute for Housing Studies [released a report](#) that found Chicago's affordability gap is the highest it's been in at least a decade. Now is the time for the new mayoral administration to prioritize strategies that will get affordable housing built more quickly and efficiently across our city.

The Illinois Housing Council represents more than 270 organizations active in the development of affordable housing



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Two compelling examples of the need for urgency: [Casa Durango](#), an affordable development in Pilsen, received 1,497 applications for 57 affordable apartments this spring. 5150 Northwest Highway, an affordable development in Jefferson Park, currently has 1,877 requests on its waitlist for 75 affordable apartments. These waitlists are not unique and demonstrate the dire state of housing affordability across our city.

At the same time, we are facing unprecedented growth in costs to develop and build new housing. [A report](#) from the National Council of State Housing Agencies published in late 2022 found affordable housing developments across the nation have experienced year-over-year cost increases averaging 30%. Affordable developments in the city of Chicago are not immune to these cost increases, as was highlighted in the recent Crain's article.

Many of these challenges result from larger economic forces outside of our control; but there are many city policies that can escalate what is already an extremely difficult environment for building affordable housing with the limited resources available.

Despite the city of Chicago's meaningful leadership related to affordable housing, all relevant development funding from the city is subject to its own set of architectural and technical standards that are often more stringent than the requirements for market-rate housing, exceeding basic code requirements. These standards dictate everything from the size of units to storage and materials used — all areas that can result in increased costs. They also outline how and when developers can engage with a general contractor on the development and how that contract is managed.

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In many cases, these policies are worthy, both to ensure code enforcement for health and safety and to provide social benefits to the residents living in affordable housing and the surrounding community. But other times, they can add costs, cause delays and extend development timelines.

Many of the city's policies are out of timing alignment or in direct conflict with standards required by other funders that may be contributing resources to the project. When a development is using both state and city funding, conflicting standards can cause confusion and add time and cost to the budget.

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There is no denying that the current resources we have available are simply not enough to meet the overwhelming demand for affordable homes and apartments across our city. However, we also need our political leaders to use their power to cut the layers of bureaucracy and policies that may be slowing down the production of affordable housing.

Here are just a few examples of changes the city could make to expedite the development process:

- Allow a design-build model where the general contractor is part of the development team from early in the design process. It's a common practice of our market-rate developer colleagues. With the continued uncertainty of the construction market, being able to tap the expertise of contractors with up-to-date, real-world knowledge during early- and mid-stage design is critical for robustly designed and feasible developments.
- Re-evaluate the need for the Committee on Design. The committee's review of developments is an unnecessary step that adds time, cost and duplicative work to an already complex process. Chicago is home to award-winning, high-quality architecture firms; affordable housing is often leading the way in design. The city should instead focus on how it can better coordinate its design policies between agencies.
- Expedite the permitting process. On average, we estimate an affordable housing development waits six to eight months for permit approval, and that's after all required documents are submitted. At a minimum, the city should consider a specialized fast track for affordable housing developments, as other municipalities have established.
- Engage all departments that touch affordable housing in a process to review their policy approaches and identify any processes that could expedite projects and reduce costs. Various cities, including Denver, have conducted similar internal reviews and have seen immediate success.

We call on Mayor Johnson to designate a member of his leadership team to be solely responsible for breaking down bureaucracy and increasing efficiency in the development process. This individual should be tasked with engaging all stakeholders, including the Illinois Housing Development Authority, developers, lenders, investors, and city staff to better understand the development ecosystem and improve it. We stand ready to be partners with the city in this effort.

Allison Clements is executive director of the *Illinois Housing Council*.

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