

OPINION > COMMENTARY

Marisa Novara: When it comes to affordable housing in Chicago, there is no one size fits all



The Kennedy Expressway and the Chicago skyline are seen Feb. 13, 2024. (E. Jason Wambsgans/Chicago Tribune)



By **MARISA NOVARA**

PUBLISHED: February 27, 2025 at 5:00 AM CST

There's been a lot of ink spilled recently on the high cost of delivering affordable housing. At a time when the Institute for Housing Studies at DePaul University estimates that 120,000 more Chicago households need affordable housing than what currently exists and the number of people experiencing homelessness in 2024 was threefold higher than the previous year, it's a worthy debate.

It's up to all of us — public and private funders, developers and contractors — to stay vigilant about ways to keep costs down. Some reasons for rising costs such as high interest rates and a COVID-19-caused jump in the price of materials are out of local actors' control. Other reasons such as local government regulations — including those I imposed when I was housing commissioner — should be up for discussion. Regulations have costs, and we should be open to ongoing, vigorous debate about their tradeoffs.



One surefire way to reduce costs is to provide speed and certainty when it comes to permitting and the public approval process. We should all get behind the city's Cut the Tape [initiative](#) to streamline and expedite development processes and minimize one-off rejections by the City Council of developments that follow the city's stated principles. An example is the 2022 Connected Communities Ordinance that reinforced a citywide embrace of dense housing with reduced parking by transit. When developers offer up exactly what they were told the city wanted, let's reduce their time and uncertainty tax — and resulting costs — by getting them on the road to construction as soon as possible.

The second: We should all agree that different models have different costs.



[Read More](#)

00:49

02:40

It does not help any of us involved in or committed to the hard work of developing affordable housing to compare apples to oranges. Federally regulated Low-Income Housing Tax Credits, for instance, are built with a slew of mandated costs that do not apply to the construction of single-family homes. Similarly, 300-unit market-rate buildings have lower costs per unit than 40-unit buildings that absorb the cost of federal funds and the inefficient system that is LIHTC. All are important forms of housing, and their costs are simply not comparable.

The third: When it comes to affordable housing, there is no one size fits all.

Not all developments are trying to reach the same goals. Some developments that are pushing the envelope to reduce energy bills to their low-income tenants will cost more on the front end. We know that the savings are borne out over time by both tenants who pay less in utilities and by reduced damage to the environment. In other cases, the choice is made to instead focus on keeping the upfront costs down and buyers or tenants pay higher utility costs over time. Neither is wrong; they just have different goals.

If land or a building in a high-cost area must be purchased in order to build affordable housing, it will cost more on the front end than to do so in an area with lower property values. But as I've argued before, affordable housing belongs everywhere, not only where it's cheapest to build. Why? Lots of reasons, but I'll share one moral and one economic:

1. My fundamental belief is that people should have as many choices as possible about where they can live. Period. It's what sociologist Monica Bell calls "residential freedom."
2. If you think building affordable housing only where land values are low is cheaper in the long run, I've got some data for you. Chicago forgoes \$8 billion in regional gross domestic product because of our high racial and economic segregation. If we were less segregated, we could benefit from \$4.4 billion in additional income each year, a 30% lower homicide rate and 83,000 more bachelor's degrees, according to a 2017 study from the Metropolitan Planning Council. In the long run and in isolation, in other words, none of our options are cheap.

Chicago Tribune Opinion: Read the latest editorials and commentary curated by the Tribune Opinion team.

The Email is required.
The Email must be a valid email address.

By signing up, you agree to our [Terms of Use](#), [Privacy Policy](#), and to receive emails from Chicago Tribune.

We live in a country in which only 1 in 4 people who qualify for affordable housing actually receive it. In Chicago, those numbers play out against a backdrop of profound racial and economic segregation. In the face of that reality, let's acknowledge that a broad tent of approaches that meet a range of goals is needed, from high-rises with 20% affordable units to backyard coach houses to publicly funded all-affordable apartments to unsubsidized rental rehabs to new construction for-sale single-family homes.

We need every creative solution in all neighborhoods for all Chicagoans. Because when our neighbors do better, we all do better.

Marisa Novara was commissioner of the Chicago Department of Housing from 2019 to 2023. She now serves as vice president of community impact at The Chicago Community Trust.