



DEPARTMENT OF HOUSING
CITY OF CHICAGO

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**DEPARTMENT OF HOUSING COMMISSIONER TO ADVANCE MAYOR BRANDON JOHNSON'S CUT
THE TAPE INITIATIVE**

The Chicago Department of Housing's (DOH) Commissioner has assumed extra administrative authority after the passing of an ordinance that grants the Commissioner authority to approve the restructuring of certain terms and conditions associated with previously issued City financing for affordable housing developments.

DOH receives approximately 15-20 requests annually to restructure or modify existing City loans issued to finance affordable housing developments, and the ordinance will allow for a more streamlined, timely processing system. Under Mayor Johnson's Cut the Tape Initiative, this ordinance will aid in the prevention of tenant displacement and the loss of affordability within housing.

The ordinance now enables the following modifications to be authorized by the DOH Commissioner:

- Loan payment deferment
- Loan modification
- Loan forbearance
- Forgiveness of default interest, overdue interest, and fees
- Conversion of a loan to a grant
- Subordination of the City's lien to a lien securing new financing that is senior to the City's loan or grant
- Consent to a change of the general partner or managing member of a borrower or grantee, as applicable, when the Commissioner makes a written finding that such restructuring is likely to:
 - Improve the City's financial position in connection with the applicable development; or

- Preserve or otherwise promote affordable housing; or
- Result in significant improvement in the physical conditions of the affordable housing in connection with the applicable development.

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