

BRING CHICAGO HOME

Frequently Asked Questions

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What is Bring Chicago Home / Ballot Question 1?

Bring Chicago Home is a coalition that has been advocating for a proposal to fund affordable housing and invest in programs that prevent homelessness by amending the one-time real estate transfer tax paid by the buyer when a property is sold. Under the proposed structure, anyone buying a property for under \$1million would pay a lesser rate (most people buying a home) and anyone buying a property for over \$1million would pay more. All the revenue from this tax would be dedicated to go toward addressing homelessness.

Why is this on the ballot?

On March 19th, Chicago voters will vote on the proposed amendment to the real estate transfer tax which is a legally required step in order to give City Council permission amend a new tax. Once passed via the ballot, the city will need to pass an ordinance to implement the change, but the revenue generated through the new tax will be legally protected and must be used to address homelessness.

How specifically will the funds be used?

Funds will be dedicated to permanent affordable housing with supportive services for people living on the streets, in shelters, and doubled-up as well as other programs that prevent homelessness. Housing will be created in the form of housing vouchers, new housing, and rehabilitation to preserve existing housing. Participants will be connected to social services to ensure supports are available to stay housed. Supportive services would include things like:

- Mental healthcare
- Substance use counseling

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- Educational opportunities, and job training
- Domestic violence resources

Who is impacted by the problem of homelessness in Chicago? Who will be helped?

More than *half* of the 68,000 people experiencing homelessness in Chicago are Black and more than eighty percent are people of color. There are more than 17,000 Chicago Public School students experiencing homelessness.

Currently, people who are living doubled-up, or temporarily staying with others, are not considered homeless by HUD and don't have access to HUD permanent housing resources for people experiencing homelessness. That means most families and youth experiencing homelessness are ineligible for those resources.

Bring Chicago Home's proposal would greatly increase access to housing for families and unaccompanied homeless youth, including permanent and transitional housing models designed specifically for youth. And it would focus on providing access to those often excluded from housing, including people with physical disabilities, returning citizens, people who are undocumented and those fleeing gender-based violence.

Will this raise my property taxes? Will it raise my rent?

No. This measure is a tax on property *sales*, paid by the buyer. It does NOT affect property taxes and should NOT affect your rent. Unlike a property tax, the real estate transfer tax is a one-time tax at the time of sale. Therefore, it does *not* create the ongoing increases in building owners' operational costs that lead to rent increases.

Our opposition – real estate groups that want to maximize profits at the expense of investment in housing for those who need it – have been spreading misinformation about this in effort confuse voters.

Why should we trust the city to implement this?

While the city will oversee the allocation and spending of this new revenue stream, once this passes via a binding ballot measure, the restructured tax will be legally protected as a source of funding to address homelessness – that cannot be changed by City Council or the Mayor. Also, a Community-led Advisory Board made up of people with lived experience of homelessness, community organizations, and experts on homelessness and housing will look at outcomes for the programs and make recommendations each year on how the funds will be spent.

What is the new real estate transfer tax rate structure?

The proposed changes to the real estate transfer tax structure would *reduce* the tax on any property sales under \$1 million from 0.75% to 0.6%, increase the rate on property value *over* \$1 million to 2%, and increase the rate on property value *over* \$1.5 million to 3%.

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It is a “marginal” tax, meaning that the increased rate is only paid on the portion of the sale over \$1million or over \$1.5million. For example, a property sold for \$1.4million would be taxed at 0.60% on the first million and at 2% on the remaining \$0.4million.

That is likely to mean a cut for 95% of sales.

How will this impact economic development?

Making the RETT more progressive will generate over \$900 million for new construction over the next decade, creating more than 1,500 construction jobs and significantly contributing to our city's economy.

There are currently exemptions in who pays the RETT, including: commercial property-buyers in [Chicago's Enterprise Zones](#), mostly located on the south and west sides, and nonprofit organizations. The proposed ordinance will go even further by exempting affordable housing from the rate increase.

Opponents of Ballot Question 1 are spreading misinformation about the Real Estate Transfer Tax. But the reality is that many other major cities in the U.S. have a higher tax rate on the priciest properties than what is being proposed for Chicago, including Los Angeles, Philadelphia, New York, and San Francisco. This simply would bring us in line with other major U.S. cities in asking the rich to pay their fair share.

How does this relate to public housing?

Our proposal will create high quality affordable housing developments throughout the city built and managed by private developers and non-profits. These affordable housing developments will be city-funded as opposed to public housing, which is federally funded and run by Chicago Housing Authority.

What organizations have endorsed Bring Chicago Home?

Bring Chicago Home has large community support across Chicago. Check out our supporters [here](#).

What is the expected scale of the impact of this proposal?

Over 10 years, Bring Chicago Home will generate an estimated \$1billion in revenue. That is enough to house an estimated 7,600 people and provide over 15,000 people with homelessness prevention assistance.

How does this relate to the migrant situation in Chicago?

This ballot measure is the result of long-term efforts by the Bring Chicago Home coalition to create sustainable funding for housing for the many Chicagoans who have experienced homelessness and housing insecurity. Aimed at providing long-term solutions to address

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homelessness, the funding will go toward permanent housing and supportive services instead of band aid solutions like mass shelters. This initiative is not a direct response to the recent influx of migrants. Any person experiencing homelessness in Chicago would be supported by these resources. The migrant crisis caused by Republican lawmakers in Texas and Congress will ultimately require both federal and state resources.