

December 15, 2021

Dear Chicago Plan Commission,

Northside Action for Justice (NA4J)is a grassroots membership-controlled organization representing lowand moderate-income residents on the Northside of Chicago. We have a large membership base in Uptown and also in Edgewater and Rogers Park. One of our main focuses has been the fight for affordable, diverse communities. Many of our members have been involved in this battle for many decades and we have both a lived and a studied understanding of what gentrification and displacement looks like.

We are submitting this written testimony regarding the proposed development at 4737 N Sheridan Road. We support this development, and support Sarah's Circle and its mission to support the homeless community. We know that this building and the units that will house formerly homeless residents is a small but significant step in providing desperately needed housing.

While we support the development, we vigorously oppose the allowance of Lincoln Property to "donate" 3 million dollars to the project, to buy out of its obligation under the Affordable Requirements Ordinance (ARO) to provide affordable units in its proposed luxury development at 4600 N Marine Drive. We (NA4J) and many other organizations and individuals testified in person and submitted written testimony to the Commission several months ago in opposition to the 4600 N Marine Drive luxury development. One of our main concerns was that the proposed luxury development would further exacerbate and intensify the extreme loss of affordability and diversity in Uptown and the 46th ward.

The allowance of Lincoln Property to buy out of their obligation under the ARO ordinance will mean the net loss of a minimum of 24 units of affordable housing. These are units that would help (in a small way) to stem the tide of uber gentrification that we have experienced in Uptown and surrounding communities. In the last 10 years our communities have lost close to 1,000 units of housing that were affordable to low-income families, seniors and individuals. We have gained approximately 2,000 units of housing (either already built, being built or on the drawing board) that are unaffordable to over 90% of the families that attend the public schools in our communities. The rents in these buildings are similar to the ones being proposed at 4600 N Marine Drive anywhere from 1500 for studio apartments – over 3,000 for 2-bedroom apartments. These developments were not "naturally occurring" but came about as the result of City policies and with the approval of the Chicago Plan Commission.

The overall result of these policies, with the approval of these developments by the CPC has been the push out of low income and working people, primarily Black, Brown and Asian. A community and ward that was a very short time agio majority, minority is now 58% white (according to the 2020 Census) with many less low- and moderate-income residents. The median rents in the last 10 years have increased more then 50% forcing a large portion of low- and moderate-income residents out of the community.



All of this building was promoted by City policies. Some was subsidized by public dollars (TIF funds) and all were vigorously advocated for by Alderman James Cappleman in line with his vision of Uptown as Lincoln Park north, a predominately white wealthy community.

We have a City that states that its policy is now one of promoting" Equity" in housing. We also have a City that remains one of the most segregated in the country. We have a Plan Commission whose responsibility it is to look at development and determine if it in fact aligns with the goals and vision of the city for development. We have the Uptown community that has lost a great amount of affordable housing and a great amount of diversity.

We support the Sarah's Circle building. We know that the funding that was needed for it to be built could have come from the low-income housing trust fund other mechanisms. We know that this "donation" from the developer of the proposed 4600 N Marine Drive luxury development is a means for them to buy out of their obligation to provide affordable units in the building. This is not a donation but an investment in their Luxury Development. We know that this will result in a whiter wealthier building population. We know that there will be the net loss of 24 units of affordable housing in our community.

We are urging the Chicago Plan Commission on making the approval of the 4737 N Sheridan building, conditional on the funding source being other then the "donation" from Lincoln Property. We know that there are other sources of these funds available . We know it would be in the best interests of the community, the City and the homeless community not to lose 24 units of affordable housing in our community.

We look forward to your support in this matter.

Sincerely,

Marc Kaplan- for Northside Action for Justice

Dear Members of the Chicago Planning Commission,

My name is Gayatri Reddy. I am writing as a concerned resident of the Northside as well as a professor who has been researching the Uptown community for the last several years.

I write this message today to indicate my strong support for the proposed development at 4737 N. Sheridan for Sarah's on Lakeside LLC, which would build 28 affordable housing units.

However, I argue that the proposed building of affordable units is an exception, not the rule. I am writing today because I am deeply concerned about how this exception is being leveraged by luxury developers and the alderman who are responsible for two pervasive effects in Uptown – one, the systematic loss of affordable housing, and two, the rapid loss of diversity.

 <u>The need for affordable housing in Uptown</u>: For decades, Uptown has been the neighborhood of choice for a diverse working-class population precisely *because* it had affordable housing. This has been rapidly changing in the last 15-20 years. Evidence of this change includes a drastic reduction in the number of affordable SROs or single-resident occupancies, as one of my students noted in their research (https://glas.uic.edu/lasundergraduate-research-initiative-lasuri/). From 2008-2018, Uptown has lost nearly half of its SRO units. Over 1600 units were converted into market-rate housing between 2011-2014. Despite the SRO Preservation Ordinance going into effect in 2014, SROs have continued to be closed and its tenants pushed out. Notably, all the SRO hotels closed in Uptown since 2010 have been lost to market-rate developments.

While this proposed development would add 28 much-needed units of affordable SRO housing, it is an exception and not the norm. It has been used as a ruse to deny the neighborhood at least 23 additional units of affordable housing that would have been built by Lincoln Properties at 4600 N. Marine Drive as part of the minimum number of affordable units set out by the ARO. With the active support of the alderman of the 46th Ward, James Cappleman, Lincoln Properties has leveraged their contribution to the proposed building at Sarah's Circle to build more luxury units. Instead of 31 affordable units out of 314 total units (the bare minimum per the ARO), Lincoln Properties is building only 8 affordable units on-site, and using their in-lieu-of payment to this proposed development to get out of building additional affordable units on site. The other 306 units are luxury units, thereby adding to the affordability crisis in Chicago. Dangling just 28 units of affordable housing for this development compared to all the hundreds of units lost is a ruse and is not a sustainable solution. *Surely, we can do better than this!*

Further, the \$3 million being provided to Sarah's on Lakeside by Lincoln Properties and ostensibly required before Sarah's on Lakeside could start building housing for the houseless was not the only source of funding they had available to them; there were two other funding options that were possible. *In short, Lincoln Properties paid an in-lieu-of payment to help build this proposed development at Sarah's on Lakeside – when there*

was already a commitment from the city to provide the money Sarah's on Lakeside needed to build this development. So instead of using this current in-lieu payment plan as an argument and model for affordable housing as some in the CPC have argued, a model that would be adding 300+ more unaffordable and non-family units to prime lakefront property in Uptown, we need to – and can! - do better. Further, this model allows a local alderman to bypass the general fund and divert LIHTF funds to a specific project, especially one with no clearly vetted guidelines yet in place to ensure equity; this sets a dangerous precedent for the use of aldermanic prerogative. If in fact the 46th ward has "shown other wards that affordable housing is an asset in making a strong community" as Alderman Cappleman stated, that is an argument *against* (and not for) building one more luxury condo building - especially on the grounds of a lake-adjacent community hospital lot._Surely, we can do better than this!

2. <u>Preserving diversity in Uptown</u>: For the last 75 years at least, Uptown has been a racially diverse neighborhood. Over the last 20 years, this is being rapidly eroded. As U.S. Census and ACS data indicates, the racial and class diversity in Uptown is dramatically shifting as more and more luxury apartments are built. In 2000, 42% of the Uptown population was white. Between 2014 and 2019, that figure has gone up to 54.2% even as every other race and ethnic community showed a decline. Today, that number is 58%, the largest proportion compared to all other north side lakefront wards. There has also been a corresponding decline in minoritized populations (Blacks at 20.4%, Asians at 18%, and Latinx at 14.2%), AND an increase in the median income, from \$47,315 in 2006-2010 to \$55,109 in 2015-2019. Diversity is precisely what the current alderman, James Cappleman, proudly touts at the same time as he approves rezoning and luxury development efforts that *directly* contribute to shifting the demographics and affordability of this neighborhood, pushing out the poor, racial minorities, and vulnerable populations such as the elderly and people with disabilities. This is being done thanks, in part, to housing policies, creating a new form OF race and class restrictive housing covenants. Surely, we can do better than this!

While I could say more, I will stop here and ask a simple question: who is "development" for, if not for the people? Using much-needed affordable housing units (such as what this proposed building at 4737 N. Sheridan would offer) as the reason to allow developers such as Lincoln Properties to build fewer than the bare minimum of affordable units in their luxury developments is a shame. If the everyday people living and toiling in the ward are saying this is not what they need, surely, we need to stop and listen to them? *Surely, we can do better than this!*

For all these reasons and many more, I strenuously oppose the ways in which Uptown is becoming more and more unaffordable and less and less diverse. And what little affordable housing is being built in the neighborhood (such as the proposed development at Sarah's on Lakeside) is being used as a front to deny the neighborhood the affordable units it needs and wants and is owed, by law, as per the ARO. I respectfully submit this as critical testimony to accompany my support of the proposed development at 4737, N. Sheridan Road, to benefit Sarah's on Lakeside.

Public meeting comment, 4737 N. Sheridan Rd. (Uptown, 46th Ward)

Melanie Eckner <melanie.eckner@gmail.com> Wed 12/15/2021 9:04 AM To: CPC <CPC@cityofchicago.org>

[Warning: External email]

I am writing in regards to the Lakefront Protection Ordinance application for the "Sarah's on Lakeside" development to be located on 4737 N. Sheridan Rd.

I approve of the overall concept and idea of a very needed shelter for women in our area. I am deeply concerned, however, about two aspects of the project with respect to the 14 Basic Principles because the design and funding of the project does not adequately protect the personal safety of area residents, visitors, and workers (Basic principle 8) and does not coordinate all public and private development within the water, park, and community zones (Basic Principle 14).

I call your attention to the two additional wide curb cuts that will be added per current plans to Lakeside Ave, which is one of the safest pedestrian stretches in the entire Lakeside community. (The curb cuts are best viewed on page 10 of the city presentation).

Many, many people walk on Lakeside and in fact the project is named for Lakeside. Adding yet more in/out traffic at that point, just west of the parking garage access for 920 W. Lakeside and the alley, does not fully protect all the children and seniors who daily walk that route.

In addition, I would like to express that Basic Principle 14 has not been met because part of coordinating public and private development actually requires coordinating with the community in advance of presentation to the Plan Commission. Had that requirement been met with respect to this project, issues such as pedestrian safety would have been widely vetted prior to your vote today.

Finally I would like to mention that I still strongly object to lack of fair process and the ad hoc rules changes that are permitting the use of Low Income Housing Trust Fund payments from the Lincoln Property Co. development at Marine & Wilson to be used for Sarah's Circle's development, which has other funding options.

Thank you for the opportunity to comment.

Melanie Eckner 817 W. Lawrence Apt. 3, Chicago IL 60640 (owner) + 1 773 470 9949

WRITTEN TESTIMONY FOR CHICAGO PLANNING COMMISSION MEETING OF 12/16/21

PAUL SIEGEL Save Weiss Hospital Coalition, Northside Action for Justice, People's Response Network

Regarding the proposed development of 28 units plus support services and office space at 4737 N. Sheridan for Sarah Circle:

- 1. I am 100% supportive of Sarah's Circle having additional affordable housing units and services to offer.
- 2. However, it is inexcusable that Lincoln Properties, which is building over 300 unneeded, unwanted, unaffordable, high density, luxury units at 4600 N. Marine Dr., right next to Weiss Hospital, is using the smokescreen of a "donation" to the Sarah Circle development as an excuse to opt out of 23 units of affordable housing at the Marine Drive location. This is especially true since the City previously made it clear that it would be able to fund the Sarah Circle project independently of Lincoln's opt out. In other words, Lincoln Properties and the current alderman are simply and clearly cheating the community and the lowincome people of this city out 23 units of housing because we could have had the 28 Sarah Circle units plus the 23 units at Marine Drive. This has the appearance of an ethnic cleansing of their high end lucrative unaffordable development which will undoubtedly be overwhelmingly white and of course affluent. To further the "cleansing" of Marine Drive, the Lincoln development threatens the existence of Weiss Hospital.
- 3. Let's have a reality check. Chicago has lost hundreds of thousands of African American citizens who are vital to a vibrant

city and the African American percentage of the population is down compared to 2000. We are still experiencing the worst public health crisis in 100 years and there are thousands of Chicagoans in danger of being evicted and rendered homeless. To empty the cities of its poor, and to threaten needed medical institutions, is insanely bad policy – from the point of view of racial justice, ecology and environment and public health. Further, Uptown is now 58% white having lost thousands of units of affordable housing, only to see the current alderman (who, after 12 years incumbency and a campaign stuffed to the gills with money, squeaked through by a 25-vote margin) replace them with unaffordable housing on virtually every inch of available land. Uptown's vital role as a multiracial port of entry and refuge for the oppressed is severely endangered.

4. In this very troubling context, virtually everyone with power and influence in Chicago passes the buck and evades responsibility. Aldermen in white affluent wards block affordable housing and say build it somewhere else. The current mayoral Administration denies responsibility and takes no real action against this racism. The Alderman in Uptown -- where there is still a sizeable community that welcomes diversity and understands that must include welcoming those with low incomes -- uses the more overt racism of some aldermen as an excuse to proceed with his own "deodorized racism"/gentrification on steroids and the destruction of the low-income community that goes with it. He declares, ad nauseum, that other wards have to accept subsidized units, not Uptown. The Chicago Planning Commission seems to have said in effect, "it's not our problem-- we just approve planned developments if they meet certain technical, aesthetic and architectural criteria." I wish to respectfully say to you today that it is your problem and that planned developments must, as a

matter of life or death for many people, promote sustainable, diverse and affordable communities.

5. To repeat – Uptown still has a sizeable community that welcomes diversity and understands that must include welcoming those with low incomes. The approval of the 4600 Marine Drive city-whitening, hospital threatening, displacement and unaffordability-promoting boondoggle, and now the cynical use of Sarah's Circle to opt out of 23 units of affordable housing in Marine Drive is testimony to the irresponsibility and blindness of the wealthy and powerful In this City in the face of the crisis for affordability, sustainable ecology and public health.

Given the above, I can only quote the late Sam Cooke: "a change is gonna come." I urge the CPC to join those who understand that we must confront the crisis we face and to start by refusing to allow Lincoln Properties to opt out of affordable units at 4600 N. Marine Drive.

Written Statement for December 2021 Plan Commission Hearing

December 14, 2021

Regarding address at: 4737 N. Sheridan Rd. (Uptown, 46th Ward)

Dear appointed and elected members of the Chicago Plan Commission:

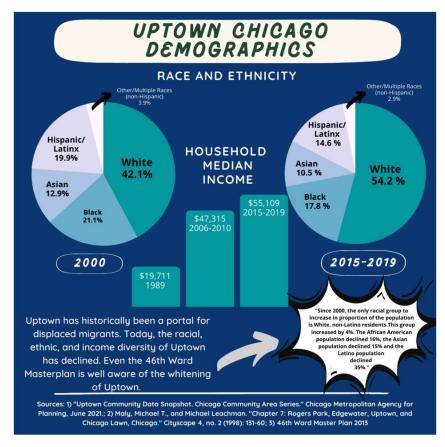
My name is Ruth Castillo and I am a registered nurse who lives within 250 feet of the new development that Sarah's Circle is planning at 4737 N. Sheridan Rd. The current plans for this site are to build a new five-story building with 28 SRO units of permanent supportive housing, office space for Sarah's Circle staff, and six parking spaces. I am familiar with Sarah's Circle and the amazing work they do for so many women literally around the corner from me. I am completely in support of Sarah's Circle and their work in my neighborhood. I hope you approve their application that was submitted about the Lake Michigan and Chicago Lakefront Protection Ordinance.

With that said, I am writing you to raise concerns about the process that was used by Alderman Cappleman of the 46th Ward to channel in-lieu-of-fees to this specific new building at 4737 N Sheridan. Our city cannot allow what took place to set a precedent for future proposed developments. While what occurred is all legal and within the ARO requirements that were in place at the time, that does not make it right for our city, and especially this neighborhood. Communities suffer when powerful and wealthy entities are allowed to be unbridled, and that is exactly what happened here. Specifically, the diverse Uptown community will suffer from this deal.

I implore all of you to take a step back and look at the big picture of our city and analyze if requiring ONLY the bare minimum that the ARO requires for on-site housing from wealthy investors and developers is right for our communities. This type of investing is happening all over the globe – wealthy investors are buying up properties to build new units and then profiting from charging higher rents. This pushes people out of neighborhoods who have lived there all their lives, or for several generations. Allowing the use of Chicago property to be used as assets by investors who don't live in our city, let alone our state is leading to a migration of lower income households (mostly people of color) from this area. The wealthy are getting richer, while the people with lower incomes are being priced out of the area and some are even becoming homeless. Add on top of that a global pandemic that is entering year two with no sign of slowing down. Housing should be at the forefront of what our society works to get right for the masses – and this committee has a unique position to help guide how our city houses the people who call this city home. Just take a drive along Jean-Baptiste Pointe DuSable Lake Shore Drive from Lawrence to Wilson and you will see the many people who are living in tents in the park and under the viaducts. This has only gotten worse in the past few months. We need more affordable housing, not just massive increases in market rate units that have only risen in price over the last 5-10 years.

Uptown has lost a lot of its diversity of backgrounds and incomes in recent years – many of you are well aware of this. Since the 1970s, Uptown had been extremely diverse, but that is changing. I've lived here 14 years and I've seen the changes myself. When I first moved here, there were articles written about how Uptown was the most diverse neighborhood in Chicago. We can't say that anymore. Actually, right along the lake where 4600 N Marine Dr is slated to be built – between Lawrence & Irving Park, and east of Clarendon, is <u>Census Tract 314</u>, the diversity plummets compared to areas north of Lawrence that are right along the lake. The population in Census Tract 314 is 67% White, 13% Asian, 10% Hispanic, and 7%

Black. If you look further south along the lakefront down to Belmont, all the census tracts have lower diversity as the population of White people varies between 67%-81% (Census Tracts 314, 608, 609, 619.02). Uptown now has 58% of the population that is White which has increased since 2019. Pictures are sometimes more powerful than words, so here is an image with information that has been circulated on social media to show the dramatic shift since the 2000s.



Back to the concerns about this project's funding and the connection to Sarah's Circle. Rather than encourage the developer of 4600 N Marine Dr to follow the ARO requirements to have 10% of on-site housing (this was prior to the 2021 revised ARO requirements), Alderman Cappleman connected Sarah's Circle and Lincoln Properties. This allowed the in-lieu-of-fees to be moved from 4600 N Marine Dr to about 1250 feet away at 4737 N Sheridan Rd. According to Lincoln Properties, they are not experienced with doing affordable housing. Is anyone listening to what is being said here? The in-lieu-of-fees in the ARO requirements is a loophole that allows developers to pass the buck when they don't want to be responsible for funding, building, and then managing affordable units. Uptown will continue to lose diversity if developers are allowed to continue to use the loophole that allows them to move affordable units off-site. Developers need to be held to a higher standard than what they have been. Yes, the developers have a right to buy and build, but it is your role on this committee to keep our communities as places that people can afford to live in, instead of being pushed out by rising housing costs. If this was not needed, your roles would not have been created to help guide the planning of so many projects. Please use this power that you have been given to protect the diverse people you serve who live in our communities, instead of solely the interests of the already powerful developers and investors. All elected officials should be working towards this goal as well – you serve to help the interests of your

constituents above all else. Long term quality of life should be held above quantity of revenue that a development will bring the city in taxes.

As Daniel Burnham said so well not too long ago: "Make no little plans. They have no magic to stir men's blood and probably themselves will not be realized. Make big plans; aim high in hope and work, remembering that a noble, logical diagram once recorded will never die, but long after we are gone will be a living thing, asserting itself with ever-growing insistency. Remember that our sons and grandsons are going to do things that would stagger us. Let your watchword be order and your beacon beauty. Think big."

Since Sarah's Circle is building 28 affordable units, this means that from the possible 59 affordable units (at 4737 N Sheridan & 4600 N Marine Dr), our community will only have 36 units built. This is a loss of 40% of the amount of affordable units that we *should have* if these projects were not connected with this channeling of in-lieu-of-fees. Lincoln Properties is only required to build 8 units as affordable in a building of 314 units, rather than the 31 units (or 10%), so my immediate neighborhood will have a *net loss of 23 affordable units*. That is 23 households that will need to find housing somewhere else in the city, instead of in this amazing neighborhood that so many of us love to call home. I want more people to be able to live in this community with me, but I want them to be from all income levels and backgrounds.

Several of the projects discussed today in addition to Sarah's Circle have *the full required on-site affordable housing, some have even more than what is required* – **this is the precedent that should be in place**! We need any new developments to be held accountable to the full requirement of on-site in order to keep our city diverse and to provide housing to anyone who wants to live here.

Thank you for your time.

Sincerely,

Ruth Castillo 900 Block of Lakeside Place Chicago, IL 60640

Written Statement on the Planned Development at 4737 N. Sheridan Road

Timothy Langston <timlan987@gmail.com> Tue 12/14/2021 11:08 PM To: CPC <CPC@cityofchicago.org>

[Warning: External email]

December 14, 2021

Timothy Langston Carla Hill-Langston 4415 N. Beacon Street Unit G Chicago, Illinois 60640

Chicago Plan Commission 121 N. LaSalle Street Room 1000 Chicago, Illinois 60602

To the members of the Chicago Plan Commission:

We are Timothy and Carla Langston; we have written to you previously. We are homeowners in Uptown and the 46th Ward, and have been for nearly 30 years. We are writing to you today in advance of the Plan Commission meeting scheduled for December 16.

The proposal in question is the building of a five-story building at 4737 N. Sheridan Road for Sarah's Circle, a neighborhood nonprofit organization that serves unhoused and at-risk women. Sarah's Circle is a vital Uptown institution, and it's good that they will now have a new housing facility for the important work they do. What is at issue for us is the source of the funding for this. Funding had previously been secured for this project from the Tax Increment Financing (TIF) district and a generous donor; more could have been acquired form the Low-Income Housing Trust Fund. But now it will be largely financed by the in-lieu fees of a real estate developer in order to minimize their legal obligation to create affordable housing.

Chicago's Affordable Requirements Ordinance (ARO) requires that new multi-unit housing construction include 10% affordable units. Lincoln Properties has proposed building a new 314-unit luxury apartment building at 4600 N. Marine Drive. Under the ARO, they would be required to make 31 of these apartments affordable. But developers have the option of reducing their ARO requirement from 10% to 2.5% by paying "in-lieu fees" toward new construction elsewhere. Lincoln has chosen to create only 2.5% affordable units (8 out of 314) at 4600 N. Marine, and contribute their in-lieu fees toward Sarah's Circle's new building.

Mail - CPC - Outlook

But since funding for Sarah's Circle had already been secured, Lincoln is creating a net loss of 23 affordable units in Uptown by paying the in-lieu fees instead of meeting the ARO requirement. Lincoln would now be able to lease 23 more apartments at \$2,000.00 a piece, in a neighborhood where already more than half of all residents are rent-burdened.

This type of money game is part of a larger trend in Uptown to make our neighborhood increasingly inhospitable to longtime low-and-moderate income people and people of color; this trend is politically-induced by the City and the current alderman. As the availability of affordable housing shrinks, this once extraordinarily diverse society known as Uptown (diverse racially, culturally and economically) becomes less marked by inclusion and diversity, and more by exclusion and uniformity. While we agree that Sarah's Circle is well-deserving of their new facility, we also believe that the people Uptown are well-deserving of a chance to thrive. We need more affordable housing for the many, here in Uptown, and in all of Chicago, and fewer financial games that only benefit the few.

Thank you,

Timothy Langston President, Seneca Pointe Condominium Association Board Member, Northside Action for Justice Member, Beacon Block Club Member, One Northside

Carla Hill-Langston Board Member, Northside Action for Justice Member, One Northside