

South Shore CBA Ordinance Community Response to the Proposed

2

We present a strong, clear, and united voice of diverse stakeholders representing the *entire* community of South Shore with a desire to work together to create comprehensive solutions to the problems we face. Our suggested changes to the proposed South Shore Community Benefits Agreement (CBA) Ordinance are based upon recommendations from *life-long* South Shore *residents* who are *experts* in government, nonprofit affordable housing, and community development. Due to harmful race-specific policies and practices that have shown preference for some over others, the Black community, as a whole, remains cost burdened. Equally important to our agenda are ensuring that homes and apartments are available to our middle-income, working-class residents *and* providing current low-income residents the resources they need to prosper. Becoming a mixed-income neighborhood of choice is central to the future of South Shore and other neighborhoods of color.

We agree with the goals of the South Shore CBA Ordinance that aim to 1) protect current South Shore residents from displacement, 2) promote landlord responsibility for maintaining good conditions in their buildings, and 3) provide resources for both low-income renters and homeowners.

We simply ask City officials to consider the following changes to make the ordinance better for all residents of the neighborhood:

1

EXPAND THE ORDINANCE TO INCLUDE ALL OF SOUTH SHORE

The current proposal includes sections of Woodlawn, Greater Grand Crossing, and only the northern portion of South Shore. Woodlawn has its own housing ordinance to meet its unique needs. South Shore is made up of three wards: Ward 5 (Precincts 1-9), Ward 7 (Precincts 1-10) and Ward 8 (Precincts 4,5, and 30).



Fragmenting the neighborhood creates more problems for addressing disinvestment and displacement. Our neighborhood must be treated as one whole community. If not, the most well-intended programs run the risk of failing or making things worse.

INCLUDE SPECIFIC PROTECTIONS FOR SMALL LANDLORDS

The proposed ordinance thoughtfully seeks to hold absentee landlords, large, corporate property owners, and outside investors accountable for keeping their buildings in good, affordable, living condition. While larger property owners with good access to capital can more easily adjust to these requirements, local, community-based owners (mostly Black), will not have the ability or funding to meet some of the tougher requirements under the current ordinance.

Community-based housing providers offer quality and critical housing that supports rents affordable to lower- and moderate-income households without direct public subsidy.

CONDUCT A STUDY TO UNDERSTAND THE RENTS AND HOME VALUES AFFORDABLE TO EVERY INCOME GROUP (EXTREMELY LOW, VERY LOW, LOW, MIDDLE, AND UPPER) TO ENSURE THAT THIS HISTORICALLY BLACK NEIGHBORHOOD REAPS THE BENEFITS OF A PREDOMINANTLY BLACK MIXED-INCOME COMMUNITY AND IS AFFORDABLE TO ALL OF ITS CURRENT RESIDENTS

In South Shore, rental apartment buildings exist in excess and include many low-income subsidized apartment buildings. South Shore has more than five times its share of CHA scattered sites (public housing for low-income households).

REEVALUATE THE FEASIBILITY OF ITS CURRENT ALLOCATION OF DEVELOPMENT FUNDS FOR DEEPLY AFFORDABLE UNITS

Development costs for extremely affordable units require expensive, ongoing subsidies. Without evaluating these calculations, the City stands to overpromise development which would result in leaving most of its lots vacant and undeveloped.

AT LEAST 80% OF VACANT, RESIDENTIALLY ZONED, CITY-OWNED LOTS SHOULD BE RESERVED FOR AFFORDABLE HOMEOWNERSHIP DEVELOPMENT FOR MIDDLE-INCOME FAMILIES. NO MORE THAN 20% SHOULD BE RESERVED FOR HOMEOWNERSHIP OR RENTALS THAT SERVE HOUSEHOLDS WITH VERY AND EXTREMELY LOW INCOMES.

In 2022, the overall homeownership rate for Black households was 39.72% for the City of Chicago. In South Shore, it was merely 22.92%. Homeownership remains American's main wealth-building asset.

REMOVE OPTION OF ARO IN LIEU OF DEVELOPMENT FEES

The proposed ordinance's low-income set-aside requirements already exceed the requirements of the ARO.

REQUIRE THAT DEVELOPERS OF PROJECTS WITH MORE THAN 4 UNITS HIRE SOUTH SHORE RESIDENTS

This will generate jobs for residents of South Shore.

Development of a neighborhood where people of all incomes reside because they want to and not because they have no other choice offers unique potential for healing and connection as well as a path out of poverty.

4

MAKE PERMANENT THE SHARED OWNERSHIP HOUSING PRESERVATION FUND AT \$5 MILLION EACH YEAR. THE FUND WAS CREATED IN 2022 TO TARGET VULNERABLE CONDO AND CO-OP OWNERS IN THE SOUTH SHORE COMMUNITY.

With more than 190 standing, condominiums and housing co-ops are a vitally important asset of the South Shore community and represent a critical source of Black real estate ownership.

PROVIDE MORE FUNDING FOR THE NONPROFITS TASKED WITH RUNNING THE PROGRAMS TO HELP MORE FAMILIES INCLUDING ITS SOUTH SHORE BASED EMPLOYEES

Programs like Property Tax Relief, Developer Loan Fund, and Homeowner Repair Program outlined in the ordinance can only achieve successful, scaled, and sustainable impacts if funded adequately. More funding is needed to run the programs and provide their employees a living wage.

DO NOT CREATE A NEW OFFICE OF TENANT ADVOCATE

Invest more, financially and otherwise, in the existing network of proven nonprofit Tenant Rights agencies with histories of advocacy, education, and outreach to tenants in South Shore such as Law Center for Better Housing and Metropolitan Tenants Organization.

Without proper funding, institutions will struggle to meet obligations to community, invest in necessary development, and pursue growth opportunities.