



THE SOUTH SHORE HOUSING DATA PROJECT

SUMMARY REPORT - AUGUST 2022



**PREPARED BY
THE SOUTH SHORE COMMUNITY COMPACT**

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ABOUT THE SOUTH SHORE COMMUNITY COMPACT

The South Shore Community Compact was founded in 2021 to collaboratively develop and advance a vision for the community's future. The Compact is a unique structure consisting of three organizations focused on key elements of a strong and healthy neighborhood—people, commerce, and housing—and includes Neighborhood Network Alliance, South Shore Chamber of Commerce, and South Shore Works.



Neighborhood Network Alliance is a community engagement organization that trains neighborhood leaders how to tap into the human capital on their block and equip them with the resources to create neighborhood networks. NNA is dedicated to empowering leaders by providing them with subject matter expertise on focus areas including network organizing, community education, engagement and outreach, technical assistance, social advocacy, and neighborhood communications.



South Shore Chamber of Commerce strengthens and supports South Shore's business corridors and small businesses by empowering its members with effective training, technical assistance, and access to private sector and governmental resources. With a focus on attracting new and diverse businesses, the Chamber engages all stakeholders to improve the overall quality of life in South Shore.



South Shore Works is a community-based organization dedicated to the revitalization and restoration of the South Shore community. Its primary strategy is to harness the abundance of talent and expertise in the neighborhood to participate in design and implementation of a strategic plan that will result in a safe, economically viable, aesthetically beautiful community. The South Shore Works initiative is asset-based, data-driven, and resident-centered. It embraces the principles of synergistic stakeholder planning, shared governance, transparency, and collaboration. This model is rooted in a community engagement process that includes working groups that are subject matter specific and a set of support groups whose expertise is essential to all.

A LETTER FROM THE COMMUNITY

Dear Reader,

As leaders of the South Shore Community Compact, we are pleased to share the enclosed report, designed to help inform and guide the future of the Chicago community that we proudly call home.

South Shore is a predominantly Black community on the South Side of Chicago with a rich history, beautiful lakefront location, extraordinary architectural and cultural treasures, and an economically diverse resident population. We have always been proud of all that South Shore has to offer—the South Shore Cultural Center, pristine beaches, South Shore Golf Course, skyline views along the shores of Lake Michigan, the peaceful open space found at the lakefront or in Jackson Park, the historic homes and residential districts within the fabric of our community, the proximity of DuSable Lake Shore Drive and public transit, and the rich array of local arts and culture offerings that helped coin the term—“the Soul Coast.”

But most of all, we are proud of the talent, expertise, pride, and determination of South Shore’s residents—past and present—who have worked hard to make it the incredible community that it is today.

We founded the South Shore Community Compact in 2021 to bring together three organizations focused on different key elements of a strong and healthy neighborhood—people, commerce, and housing—so that we could collaboratively develop and advance a vision for our community’s future.

Like many of our neighboring communities, we are excited to welcome the Obama Presidential Center (OPC) to Jackson Park and Chicago’s South Side in 2025, recognizing the extraordinary opportunities this world-class anchor institution promises to bring to surrounding communities, including South Shore. We also welcome a growing number of new development projects and investment being directed to our community in a way that far outpaces the past several decades.

As this change happens, however, we share a key priority: authentic, inclusive, balanced neighborhood development that celebrates new investment, results in availability of new local amenities, grows our community while preventing resident displacement, and allows existing residents and business owners to benefit from the winds of positive change. We believe that **now** is the time to harness existing momentum, use local voice to shape efforts that build on our community’s assets, and strengthen the community’s future for all residents.

Through participation in the University of Chicago Office of Civic Engagement’s Community Programs Accelerator (CPA), and with technical assistance from the Harris School of Public Policy, we worked together to collect, analyze, and interpret detailed housing and other vital data about the South Shore community. We then used this data and analysis to identify key findings and develop recommendations for South Shore’s next chapter. Not surprisingly, we found that South Shore has its own unique challenges and opportunities, different from other nearby communities.

Today, we share a summary of this important work and a loud call for action to partner with others at this critical juncture to make this plan a reality. Our community has seen or been a part of many different reports and plans for decades. Now, we are ready to act—paving the way for a stronger future for all residents of the South Shore community. We hope you will join us.

Sincerely,

Val Free
The Neighborhood Network Alliance

Ernest Sanders
South Shore Works

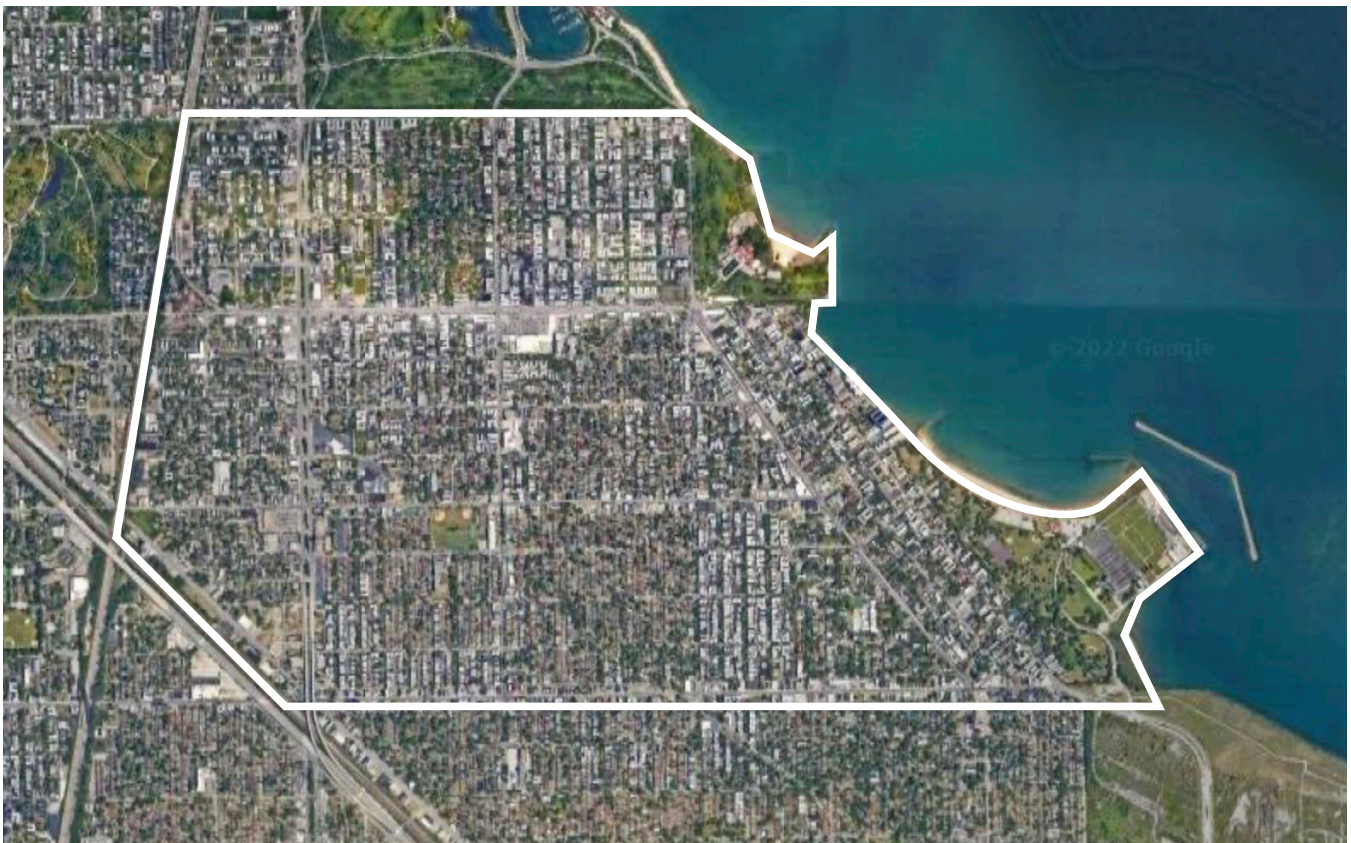
Tonya Trice
South Shore Chamber of Commerce

PROJECT HIGHLIGHTS

FIVE KEY FINDINGS

Conducted as part of the South Side Housing Data Initiative, the South Shore Parcel Survey (SSPS) is a neighborhood parcel survey that was conducted and subsequently integrated with analysis from more than 20 publicly available datasets. This resulted in detailed parcel-level data, maps of community conditions, and five key findings:

- **High Vacancy Masked by Building Density.** South Shore appears to have less vacancy than other south and west side neighborhoods, yet the SSPS and subsequent analysis uncovered high vacancy, including 13% of all parcels, 18.4% of all residential units, and 43.1% of all business addresses.
- **Financially Vulnerable Renters.** South Shore is predominantly a community of renters, including the greatest number of renters using Housing Choice Vouchers in the city and facing the greatest number of evictions in Chicago.
- **Opportunity to Grow Homeownership.** South Shore's homeownership rate of 23.7% is among the lowest in Chicago, yet the community's economically diverse population of homeowners reflects its history as an enclave of the Black middle-class.
- **Vulnerable Condo Buildings and Owners.** The combination of aging properties, deferred repairs, limited financial reserves, and lack of financing products for shared ownership models makes many of South Shore's condominium properties vulnerable to investors, impacting longtime condo owners who risk losing their homes.
- **Opportunity to Leverage Public Investment and Planning.** A variety of key housing, economic development, and community planning initiatives are underway in South Shore, and local leaders have a narrow window of opportunity to take an active role in overseeing plans for the future.



Aerial view of the South Shore community

SUMMARY OF THE SOUTH SHORE COMMUNITY COMPACT'S POLICY RECOMMENDATIONS

Based on the findings from the parcel survey and subsequent research, the South Shore Community Compact developed the following set of policy recommendations, designed to nurture investment and inclusive community growth in a way that is genuinely balanced, prevents displacement, and provides a structure in which our voices can continue to shape and oversee the future of our community.

STRUCTURE FOR COMMUNITY VOICE AND OVERSIGHT: To establish a structure for community voice and oversight with partners outside of the neighborhood:

- **South Shore Coordinating Council:** Establish and staff a South Shore Coordinating Council with external partners to collaborate on the vast array of new resources in a way that aligns and cultivates future investment.

INCLUSIVE GROWTH THAT PREVENTS DISPLACEMENT: To achieve inclusive growth by prioritizing longtime residents and businesses, ensuring they aren't priced out of the community:

- **Resources to Preserve Homeownership:** Identify and implement new resources and strategies, such as a South Shore Long-Term Homeowner Home Improvement Grant Program and community succession planning strategy for long-time homeowners.
- **Preserve Shared Ownership Opportunities:** Collaborate with the Center for Shared Ownership on a focused South Shore strategy, including expanded education and technical assistance for Homeowner Associations, growth of the new City South Shore Condo/Co-Op Preservation Fund Pilot, and advocacy for long-term policy change supporting financing for common element condo building repairs.
- **Right to Counsel Outreach Pilot:** Lower South Shore's eviction rate by partnering on a South Shore specific outreach campaign as part of the City's newly announced Right to Counsel Pilot Program.
- **First Right of Refusal:** Extend the Woodlawn Tenant First Right of Refusal pilot program for large apartment buildings to South Shore and/or educate interested tenants in pooling resources to convert a property into a co-op.
- **Preserve Rental Housing Affordability:** Collaborate with the Preservation Compact to develop and implement a focused South Shore strategy.

- **Housing Choice Voucher (HCV) Wraparound Services:** Dramatically increase Chicago Housing Authority (CHA)-funded wraparound service resources for HCV tenants by establishing a South Shore HCV Resident Services Fund.

NURTURE INVESTMENT AND INCLUSIVE COMMUNITY GROWTH: To harness existing momentum, spur community growth through homeownership, and address longstanding residential and commercial vacancies:

- **Community Marketing Campaign:** Advance a campaign highlighting South Shore's amenities and cultural treasures, designed to attract new homebuyers to the neighborhood, fill vacancies, and rebuild the housing market in a way that spurs population growth.
- **Homeownership Initiatives:** Serve prospective homebuyers across a range of incomes, such as exploring feasibility of a Neighborhood Housing Services (NHS) of Chicago outpost in South Shore, establishing a South Shore down payment assistance program, and implementing a CHA Choose to Own pilot collaboration.
- **Community Land Trust:** Permanently protect affordability of a portion of homeownership units by establishing a South Shore Community Land Trust, in partnership with the Chicago Housing Trust.
- **Stop Tax Breaks for Bad Actors:** Advocate to remove policies that currently encourage absentee owners to keep community properties and storefronts vacant.
- **Repurpose Vacant Land:** Establish proactive strategies with the public sector to put publicly owned vacant land or buildings back to productive use while supporting residents' needs and interests.



INTRODUCTION AND HISTORICAL CONTEXT

South Shore is an economically diverse Black community on the South Side of Chicago, with a resident population and collection of celebrated architectural and cultural treasures that have been shaped by neighborhood history.

Until 1950, South Shore was an almost exclusively white neighborhood, with robust commercial strips and vibrant resident life. The area's 1889 annexation to Chicago and the 1893 World's Columbian Exposition sparked a building boom for residential and commercial properties near Jackson Park, in advance of the Chicago World's Fair. White flight from nearby Washington Park brought white Protestant families to South Shore, where they engaged notable architects to build stately homes on large parcels of land, resulting in the exclusive Jackson Park Highlands. The elegant South Shore Country Club, an institution that excluded African Americans and Jews, was built in 1906 alongside 67 acres of lakeside recreation

space. A more robust housing boom soon followed in the 1920s, bringing an influx of white immigrants and construction of bungalows, two-flats, and high-rise apartment buildings to house a rapidly growing population at a mix of incomes. The abundance of bungalows led to South Shore's current designation as one of the city's Historic Bungalow Districts. Jackson Park Highlands was later designated a Chicago Landmark in 1989.

South Shore transformed into a predominantly Black, middle-class enclave during the 1960s and 1970s. Outside of South Shore, African American families had been moving to Chicago in hopes of economic opportunity, but faced persistent discrimination once here, including from racial and economic separation policies, some of which persist today. As the community's composition began to shift, the local South Shore Commission attempted to manage integration in the community to promote racial balance and prevent a decline in housing values. The





campaign faltered, and white residents left the area, fully shifting South Shore's racial composition by the end of the 1970s.

Many African American communities saw swaths of their communities destroyed in protests after Dr Martin Luther King Jr.'s assassination in 1968 and via arson-for-profit schemes in the 1970s and 1980s, but South Shore was largely spared. For that reason, much of its historic architecture remains intact to this day. Yet the community was not immune from growing neighborhood disinvestment, resulting in growing vacancies and buildings at risk of abandonment. Prominent resident activists in South Shore organized in block clubs and continued to pursue local community development. The Park District purchased the South Shore Country Club in 1972, converting it to the South Shore Cultural Center, which remains an icon today. And after a failed effort by the local South Shore Bank to relocate to the Loop, local community banker activists purchased the bank in 1973. As a result, the nation's first community development bank was founded in South Shore, and the bank's reinvestment in the community led to South Shore's ultimate revitalization.

With a partner in its local bank, South Shore had reemerged as a solidly Black middle-class community by the late 1990s, despite two decades of significant

population loss. Yet South Shore continued to face challenges from the adverse effects of policy and economic drivers. The Chicago Plan for Transformation was launched in 1999, an ambitious effort to overhaul the Chicago Housing Authority (CHA)'s distressed public housing developments by redeveloping most of its high-rises into mixed-income communities and comprehensively rehabilitating the remaining properties. As it implemented the Plan and phased resident relocation, the CHA offered Housing Choice Vouchers (HCVs) to residents, either as temporary vouchers to use during relocation or as permanent vouchers to move into the private housing market with subsidized rent. Given the proximity of South Shore to some of the city's largest high-rise public housing developments, as well as its high residential vacancy rate, a significant number of relocating residents moved to South Shore with vouchers, greatly influencing the socioeconomic make-up of the community. In 2022, South Shore continues to have the highest number of HCV units in the city of Chicago.

Community composition continued to change during the nation's 2008 housing crash, as many homeowners lost their homes to foreclosure, local businesses closed in the wake of the Great Recession, and South Shore sadly lost its critical community bank. During this time, investor owners increasingly purchased foreclosed properties, either renting them out as scattered site rental properties or leaving them vacant. ShoreBank (formerly known as South Shore Bank) faced significant losses in 2009 and was declared insolvent in 2010. Although its assets were acquired by the newly formed Urban Partnership Bank, there is no doubt that South Shore lost a key community lending partner.

As a result of this history, today, South Shore is comprised of a resident population with a mix of income levels, living in a variety of housing types. While nearly half of South Shore homeowners earn *more than* Chicago's median income of \$62,097, the community also has a higher poverty rate (30%) than the city of Chicago (17%)¹ and continues to house the highest number of households renting with HCV subsidies in the city.

Yet the activist spirit remains. No matter if South Shore residents are homeowners or renters, high-income or low-income, or somewhere in between, the community is enlivened by people interested and willing to fight for positive community change.

¹ U.S. Census Bureau, "Poverty," *American Community Survey 2020* (5-Year Estimates)

OVERVIEW OF THE SOUTH SIDE HOUSING DATA INITIATIVE: SOUTH SHORE

The South Side Housing Data Initiative (SSHDI) was launched in 2015 to provide residents and community-based organizations in south side communities with parcel-level data to inform policy and program strategies that help low-and moderate-income residents maintain their housing in real estate markets experiencing or anticipating rapid change. The initiative began when leaders of the Woodlawn East Community and Neighbors (WECAN) noticed changes in the local housing market and expressed interest to the University of Chicago Office of Civic Engagement’s (OCE)’s Community Programs Accelerator (CPA)² in gathering data on how the housing landscape was evolving in the local community.

As the first study participants in the multi-year initiative, WECAN and its partners, with technical assistance from the University of Chicago Harris School of Public Policy, completed the Woodlawn Housing Data Project in 2019. The extensive data collection effort resulted in a detailed analysis of the neighborhood’s housing conditions and informed a set of policy recommendations set forth in their report. Following the project’s success, the

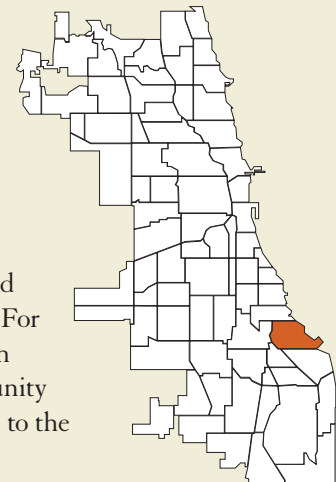
Washington Park Residents’ Advocacy Council (WPRAC) approached the CPA to request a similar housing study, culminating in completion of the Washington Park Housing Data Project in 2020.

The third installment of the SSHDI focuses on the community of South Shore. In 2021, residents and leaders of the Neighborhood Network Alliance (NNA), South Shore Works (SSW), and the South Shore Chamber of Commerce worked together with the Harris School to design and conduct the South Shore Parcel Survey (SSPS), collecting detailed data about the built environment, with an eye toward the housing landscape. Once again, the project has resulted in extensive data collection and analysis, enabling the community to highlight current community conditions, confirm perceptions, and identify issues and opportunities. The project also provides a solid foundation from which the community could develop a set of policy recommendations that are set forth later in this report.

FOCUS AREA: SOUTH SHORE

South Shore is Community Area 43 of Chicago’s 77 Community Areas, located along the lakefront, approximately nine miles south of downtown’s Loop. In total, this community covers 3.05 mi² (1,954 acres) and contains 8,596 individual parcels. Rainbow Beach, the South Shore Cultural Center, and the Stony Island Arts Bank are some of South Shore’s major landmarks and cultural treasures.

South Shore’s boundaries extend from 67th Street to the north, the Metra tracks and Chicago Skyway to the west, 79th Street to the south, and the lakefront to the east. For this study, the western boundary was extended to the Metra tracks, instead of South Kenwood Avenue which is the official community boundary. Neighboring community areas include Greater Grand Crossing and Avalon Park to the west, South Chicago to the south, and Woodlawn to the north.



2 The Community Programs Accelerator helps equip nonprofits that serve the South Side with tools and resources to fulfill their unique missions. The Accelerator provides customized support to address the critical needs of small-to mid-size nonprofits, including training, coaching, and technical assistance in areas such as program design and evaluation, data systems and data-informed decision making, community partnership development, financial management, fundraising and grant writing, human resource systems and staff development, and strategic and succession planning. Participating nonprofits remain independent of the University of Chicago; the Community Programs Accelerator does not play a role in the policy recommendations of the participating nonprofits.

THE SOUTH SHORE COMMUNITY AND THE SOUTH SHORE PARCEL SURVEY

To create the SSPS, Harris School students sought input from residents and developed an approach to surveying every parcel of land in South Shore using the mobile app, Regrid, a parcel-based mapping tool. From May through August 2021, Harris School students and more than 50 residents and youth volunteers worked in small teams to survey every parcel of property in the community. Before participating in community-led survey days, each team received a brief project overview, training on how to survey using the app, a map outlining a specific geographic area of South Shore, and guidance for answering survey questions. Volunteers collected neighborhood data through a parcel-by-parcel “windshield survey” of buildings and land uses. Results included data on structure conditions, lot identification, occupancy, and building type. Harris School students then cross-analyzed the SSPS primary data with more than 20 publicly available datasets to build a compre-

hensive overview of the current South Shore built environment and housing landscape. All survey questions are listed in the appendix to this report.

After sharing the findings with residents via Zoom community meetings in early 2022, the South Shore Community Compact worked closely with the Harris School and OCE to collect and synthesize community recommendations designed to address key findings from the South Shore housing study.

The following pages summarize the data collection, analysis, and findings, and express the community’s call for action. Results are from 2021 and are therefore point-in-time data, although high-level findings are consistent with publicly available data. Underlying data and analysis, including citations to sources relied upon and other details, are available at <http://historicsouthsidecommunitysurvey.com>.

PUBLICLY-AVAILABLE DATASETS

CITY OF CHICAGO

- Affordable Housing Sites
- All Affordable Rental Housing Developments
- Building Permits
- City-Owned Vacant Land Inventory
- Troubled Buildings Initiative (TBI)
- Vacant Properties by Community Area

COOK COUNTY

- Cook County Land Bank Properties
- Cook County Tax Sale Properties
- Cook County Scavenger Sale
- Cook County Property Tax Data

INSTITUTE FOR HOUSING STUDIES AT DEPAUL UNIVERSITY

- Foreclosure Auctions in Chicago Community Areas
- Foreclosure Filings in Chicago Community Areas
- Housing Composition in Chicago Community Areas
- Property Sales in Chicago Community Areas

UNITED STATES CENSUS BUREAU

- American Community Survey 5-Year Estimates (2015-2019) *Population, Poverty, Housing*
- Decennial Census (1960-2020)

UNITED STATES CONSUMER FINANCIAL PROTECTION BUREAU

- Home Mortgage Disclosure Act (HMDA)

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- Assisted Housing Programs by Census Tract
- Housing Choice Vouchers (HCV) by Census Tract
- Low Income Housing Tax Credit (LIHTC) Programs
- Multifamily Assistance and Section 8 Database
- Subsidized Housing Units by Census Tract

UNITED STATES POSTAL SERVICE (USPS)

- Vacant Properties by Census Tract

OTHER

- MAPSCorps: Businesses in South Shore
- REGRID: Cook County Matched Addresses
- REGRID: Cook County Building Footprints

SURVEY RESULTS

The SSPS yielded a rich set of data about South Shore and its 8,596 parcels of property, the results of which are presented on the following pages. It is important to note that SSPS results are from 2021 and are therefore point-in-time data.

- South Shore is a densely-built environment, comprised of 8,596 parcels, of which 85% (7,256 parcels) have a structure on them and 15% (1,340 parcels) do not include a structure.
 - Of the 1,340 parcels without a structure, more than half (672 parcels) are vacant lots. The others include parking lots (255), attached lots (234), railroad tracks (105), parks (57) or community gardens (17).
- Most parcels with structures are residential. Of the 7,256 parcels with a structure, 92% are residential, 5.8%

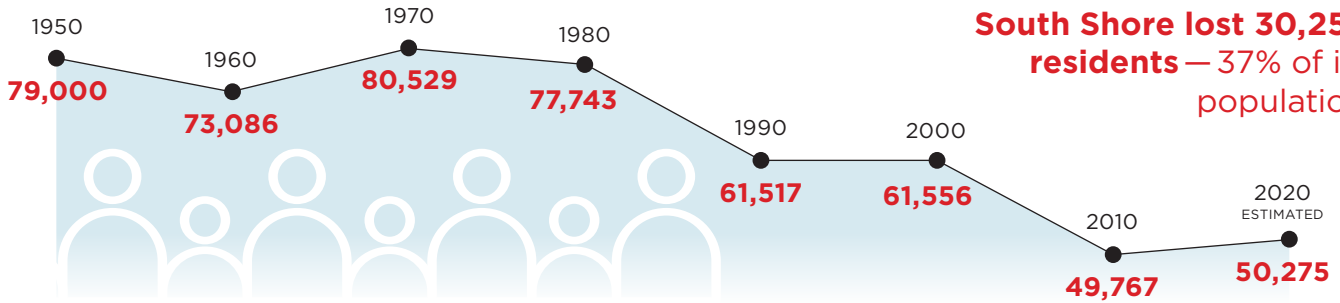
are commercial, 2.3% are institutional, and less than 1% are industrial.

- Residential structures include a mix of building types. Although single-family homes are the most prevalent, they only comprise 49% of residential structures (3,551 parcels) in South Shore.
 - Additional building types include multi-family buildings such as 2- to 6-unit buildings (2,245), 7+ unit buildings (581), condominium buildings (203), co-operatives (10), and garages (52).
- 89% of all structures in South Shore (6,505 properties) are constructed of brick.
- 94% (6,972 parcels) of properties appear to be in good exterior condition, and 6% (471 parcels) of structures need external repairs. Interior conditions are not reflected in this survey.



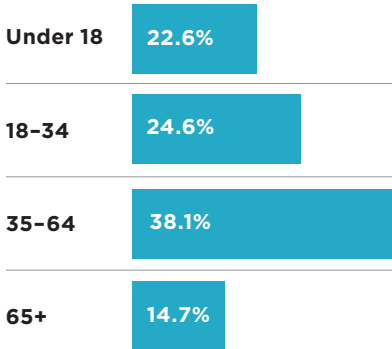
2020 SOUTH SHORE DEMOGRAPHICS

POPULATION 1950-2020



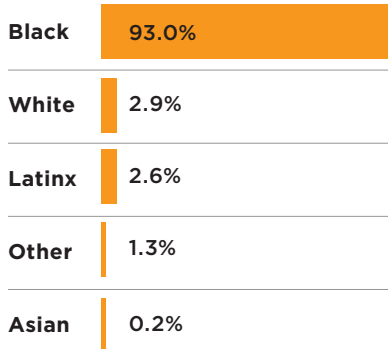
AGE

(50,275 Residents)



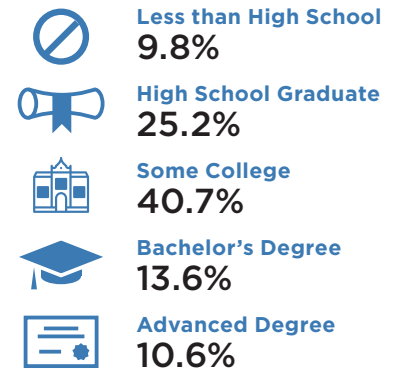
RACE

(50,275 Residents)



EDUCATION

(35,090 Residents, 18+)



HOUSEHOLD

(23,023 Households)

Average Household Size
2.1 people

Households with One or More Persons Under 18 Years
23.8%

One-Person Households
51.2%

No Internet Access
18.0%



HOUSING

(28,675 Units)

Occupied 80.3% **Vacant** 19.7%

Owner Occupied 23.7% **Renter Occupied** 76.3%

49% of homeowners have lived in South Shore since 1999 or earlier.

Median Year Structure Built
1940

EMPLOYMENT

(39,975 Residents)

Employed 54.6%

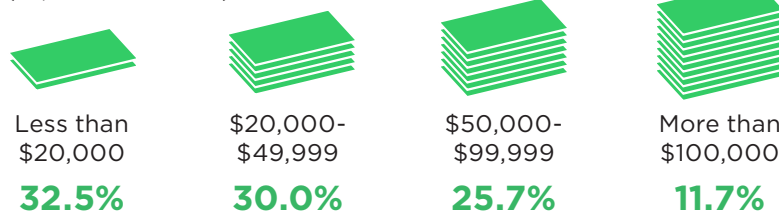
Unemployed 10.2%

Not in Labor Force 35.2%

Average Commute to Work
43 minutes

ANNUAL HOUSEHOLD INCOME

(23,023 Households)



Median Household Income
\$35,166

Per Capita Income
(in 2020 Inflation Adjusted Dollars)
\$26,789

Population Living in Poverty
30%

U.S. Census Bureau. *Population and Housing (2016-2020)*. 2020 American Community Survey 5-Year Estimates. Prepared by Social Explorer.

SOUTH SHORE PARCEL SURVEY (SSPS) RESULTS

SOUTH SHORE COMPRISES
8,596 PARCELS.



100 squares total | each square = 1% of parcels (rounded)

7,256 parcels (85%) have structures on them.

- 3,551** Single Family Homes
- 3,039** Multi-Family Buildings
- 323** Commercial Buildings
- 167** Institutional Buildings
- 100** Mixed-Use Housing/Commercial
- 23** Industrial Buildings
- 52** Garages
- 1** Unknown

95%
of structures
are occupied.

94%
are in good
external
condition.

1,340 parcels (15%) have no structures on them.

- 672** Vacant Lots
- 255** Parking Lots
- 234** Attached Lots
- 105** Railroad Tracks or Other
- 57** Parks
- 17** Community Gardens

59%
of lots are
maintained.

133
parcels
showed signs
of litter or
dumping.

OCCUPANCY

(7,256 Parcels)

Occupied
6,629

Maybe Occupied
172

Partly Occupied
20

Unoccupied
400

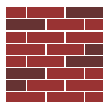
Under Construction
21

**Unoccupied with For Sale
or For Rent sign**
14



BUILDING MATERIALS

(7,256 Parcels)



Brick
89%



Siding
8%



Greystone
<1%



Other
2%

STRUCTURE USE

(7,256 Parcels)



- 92%** are Residential Buildings
- Single Family, 3,551
 - 2-6 Units, 2,245
 - 7+ Units, 581
 - Condo, 203
 - Garage, 52
 - Co-operative, 10



- 5.8%** are Commercial Buildings
- Service, 180
 - Multi, 50
 - Retail, 48
 - Restaurant, 33
 - Grocery, 17
 - Entertainment, 5
 - Office, 4
 - Vacant or Unknown, 86



- 2.3%** are Institutional Buildings
- Religious, 56
 - School, 47
 - Health, 38
 - Nonprofit, 11
 - Recreation, 8
 - Government, 4
 - Safety, 1
 - Vacant or Unknown, 2



- Less than 1%** are Industrial Buildings
- General Industrial, 14
 - Warehouse, 3
 - Vacant or Unknown, 6

FINDINGS AND IMPLICATIONS

After completing the SSPS, more than 20 publicly-available datasets on South Shore were analyzed and integrated with the base layer of survey data. The additional analysis allowed for a pinpointing of key trends affecting the community and neighborhood residents, resulting in solid empirical grounding for five key findings that validate observations shared by many residents about housing-related challenges and opportunities.



1. High Vacancy Masked by Building Density. South Shore appears to have less vacancy than other south and west side neighborhoods, yet the SSPS and subsequent analysis uncovered high vacancy, including 13% of all parcels, 18.4% of all residential units, and 43.1% of all business addresses.



2. Financially Vulnerable Renters. South Shore is predominantly a community of renters, including the greatest number of renters using Housing Choice Vouchers in the city and facing the greatest number of evictions in Chicago.



3. Opportunity to Grow Homeownership. South Shore's homeownership rate of 23.7% is among the lowest in Chicago, yet the community's economically diverse population of homeowners reflects its history as an enclave of the Black middle-class.



4. Vulnerable Condo Buildings and Owners. The combination of aging properties, deferred repairs, limited financial reserves, and lack of financing products for shared ownership models makes many of South Shore's condominium properties vulnerable to investors, impacting longtime condo owners who risk losing their homes.



5. Opportunity to Leverage Public Investment and Planning. A variety of key housing, economic development, and community planning initiatives are underway in South Shore, and local leaders have a narrow window of opportunity to take an active role in overseeing plans for the future.



FINDING 1: HIGH VACANCY MASKED BY BUILDING DENSITY



To a casual observer or even a trained eye, South Shore appears to have far fewer vacancies than other south and west side neighborhoods, given its smaller number of vacant lots and an overall dense built

environment with building stock in relatively good exterior condition. Yet SSPS analysis uncovered that South Shore has even higher vacancy than meets the eye. Whereas 13% of South Shore's parcels are vacant, 19% of its individual addresses are vacant, including 18.4% of all residential units and 43.1% of all business addresses. Collectively, a variety of drivers continue to impact South Shore's vacancies, including outside speculators who sit on their vacant property holdings for extended time periods. Yet strategic opportunities exist for redevelopment.

OVERVIEW OF SOUTH SHORE'S VACANCIES

The SSPS uncovered that 13% of all South Shore properties are either a vacant building or a vacant lot. Of the 8,596 parcels in South Shore, more than 7% are vacant lots (672 parcels) scattered throughout the community and at least 5% of structures (435 buildings) appear vacant. These 435 vacant structures are composed of 81 commercial properties, including larger buildings that house more than one retail or service business; 317 residential properties, nearly evenly split between single family homes and multifamily apartments; 22 mixed-use properties; 13 institutional buildings; and two industrial buildings. Collectively, these vacant lots and structures represent 13% of all parcels in South Shore.

A deeper analysis using U.S. Postal Service (USPS) data validated the SSPS's finding of a 13% vacancy rate, while identifying additional nuances and a more complete understanding of community vacancies that goes beyond parcel-level data. USPS data is based on **mailing addresses** (including vacant or "undeliverable" addresses), as opposed to the SSPS, which is based on **parcels**. A single parcel can include or house more than one business or more than one residential unit, each with its own separate mailing address, a typical occurrence in a densely-built environment like South Shore. In short, USPS data assists in understanding what is happening *within* a parcel.

The most current USPS data, from the fourth quarter of 2021, indicates that 19% of South Shore **addresses** are vacant, including 5,749 vacant residential addresses (18.4% of total residential unit addresses) and an exceptionally high percentage of vacancies at business addresses, 547 or 43.1% of business addresses in South Shore,³ numbers that are not readily apparent from looking only at the SSPS results.

DRIVERS OF VACANCY

South Shore's high vacancy rates are driven by a variety of historic and current factors, including population loss, disinvestment, continued impacts from the 2008 foreclosure crisis, and an increasing number of outside investors who own or manage vacant property.

South Shore's population has dropped a dramatic 37% over the past 50 years. Today, 50,275 residents live in South Shore, compared to 80,529 in 1970.⁴ White flight that began in the 1950s led to decades of growing disinvestment. More recently, South Shore was significantly impacted by predatory lending practices and the 2008 foreclosure crisis. Data from the Institute for Housing Studies at DePaul University (IHS) shows that the rate of foreclosure filings per 100 residential parcels in South Shore consistently exceeded the average citywide foreclosure rate.⁵ More recently, it is also expected that the global COVID-19 pandemic has been a driving factor for business vacancies.

Since the 2008 spike in foreclosures, South Shore has seen significant growth in the percentage of business buyers purchasing properties in the community, representing investors ranging from small mom-and-pop investors to large Wall Street-traded equity funds. In 2007, 16.4% of all residential property buyers in South Shore were business buyers, but that number quickly doubled and has remained at approximately 47% from 2010-2020, compared to a citywide average below 20%. While some rent out the properties across a variety of property types (e.g., single-family, multi-family, condo), many other properties remain vacant. Of those being rented, residents have increasingly expressed frustration regarding their property management practices or absentee ownership.

South Shore's high vacancy rate is exacerbated by unintentional consequences of a policy originally created in 2020 to provide relief to vacant building owners. The Cook

³ USPS address vacancy data

⁴ U.S. Census Bureau, 1970

⁵ Institute for Housing Studies at DePaul University, "Housing Market Indicators Data Portal," Accessed on August 27, 2018 <https://www.housingstudies.org/dataportal/filings/total-foreclosure-activity/chicago-community-areas/2005/2017/>

County Assessor's Vacancy Policy,⁶ which provides ongoing property tax relief to owners with vacant storefronts, has incentivized such owners to keep the spaces unleased. Seventy-three (73) vacant properties in South Shore receive relief from the Assessor's Vacancy Policy, of which 85% are owned by entities or individuals with mailing addresses outside of South Shore. The resulting vacant storefronts, including those along 71st, 75th, and 79th streets, only contribute to the overall vacancy issue, while discouraging others from opening retail amenities or renting property in the community.

OPPORTUNITIES FOR REDEVELOPMENT

Despite the significantly high vacancies across the South Shore community, opportunities exist for redevelopment. While most (80%) vacant lots in South Shore are privately owned, 20% are owned or leased by the City of Chicago.

Higher rates of residential vacancy are prevalent in the northwest and south, whereas the central and northeast areas experience lower vacancy. The City-owned lots are primarily located in the northwest, southwest, or southeast quadrants of the community, offering opportunities to partner with the City on a resident-driven place-based redevelopment strategy in the South Shore community.

Business vacancies are stark along local commercial corridors, and local residents are concerned that such vacancies can perpetuate a vicious cycle of neighborhood decline, disinvestment, and increased blight. As outlined in Finding 5, opportunities to partner with the City of Chicago, philanthropic partners, community leaders, and private developers are already underway to spark redevelop-



ment. These efforts have the potential to bring these critical corridors back to life and attract new private developers and retail amenities to the neighborhood.

FINDING 2: FINANCIALLY DISTRESSED RENTERS



South Shore is predominantly a community of renters, including the greatest number of renters using Housing Choice Vouchers in the city and facing the greatest number of evictions in

Chicago. A quarter of all housing units in the community are supported by some type of federal housing subsidy, and although naturally occurring affordable housing (NOAH) is in great supply, rental property building owners are vulnerable to increasing costs and market pressures, putting ongoing affordability at-risk across the community.

FINANCIALLY VULNERABLE SOUTH SHORE RENTERS

Seventy-six percent (76%) of South Shore residents are renters, significantly higher than the citywide average of 54.7%. While most South Shore renters live in multi-family apartments with more than seven units, the community's 17,577 rental units can be found in a variety of property types, including 2- to 6-unit properties, condos, and single family rental homes.

Most of the community's renters are low-income, stretching their earnings to pay for housing: 30% of South Shore residents live at or below the poverty line, and 57.6% of renter households are considered housing cost burdened, meaning they spend more than 30% of their income on housing costs. Any potential rent increases will make rental housing at further risk of being out of financial reach for current residents.

SOUTH SHORE EVICTIONS TRIPLE CITYWIDE RATES

Given its large share of population living below the poverty line and cost-burdened renters, South Shore is acutely vulnerable during times of household financial instability or economic downturn, as marked by the community's high eviction rate. Even before the global COVID-19 pandemic, South Shore led Chicago with the greatest number of evictions, including a 2019 eviction

⁶ <https://www.cookcountyassessor.com/form-document/assessors-vacancy-policy>

rate of 8.7%, three times higher than the citywide rate of 2.9%.⁷ In South Shore, this translated into 1,741 eviction filings in 2019, an uptick from the 1,621 filings in 2018.

Despite local availability of free legal aid assistance, the vast majority of rental tenants lack legal representation in eviction cases, while landlords typically bring an attorney to the courtroom. Nationwide, an estimated 90% of landlords in eviction lawsuits have legal representation, compared to only 10% of tenants. In South Shore, the gap is even wider: in 2019, 94% of landlords in eviction lawsuits had representation, compared to only 9% of tenants.⁸

Unfortunately, the eviction trend has continued. The City of Chicago adopted the COVID-19 Eviction Protection Ordinance to protect renters during the pandemic. With the lifting of the ordinance, however, eviction rates in Cook County are already back to their pre-pandemic levels, with South Shore continuing to experience the greatest number of evictions.⁹

NATURALLY OCCURRING AFFORDABLE HOUSING

South Shore is home to a large volume of “naturally occurring” affordable housing (NOAH) properties, which typically operate without subsidy and generally have lower rents because they are located in lower cost real estate markets. In 2020, South Shore’s average rent prices (\$926) are 19.8% less than the City of Chicago’s (\$1,154).¹⁰

In lower cost markets, the majority of NOAH is owned by responsible private market owners. Many of today’s owners are vulnerable to increasing costs, including in property taxes, energy costs, maintenance costs, and more. If South Shore’s real estate market values begin to rise, NOAH units are at risk of being lost due to market pressures, increasing prices, and increasing neighborhood rents.

HEAVILY SUBSIDIZED HOUSING STOCK

The federal government has a variety of programs designed to subsidize the cost of rental housing for low-income households. Subsidies include those tied to specific units as well as vouchers that travel with a rental tenant, regardless of neighborhood. A total of 25.4% (7,282) of all housing units (28,675)¹¹ in South Shore currently benefit from some type of federal housing

subsidy. These 7,282 units include those supported by Housing Choice Vouchers (HCV) (51%), Low Income Housing Tax Credit (LIHTC) units (24%), Project-Based Section 8 units (20%), public housing (3%), and disability and elderly housing (1%).

- **Greatest number of HCV Units Citywide:** Notably, South Shore has the highest number of occupied HCV units in Chicago (3,230 units)¹², followed by Austin (3,159 units) and Auburn Gresham (2,155 units). Many South Shore residents have expressed that wraparound support services are greatly needed to support these households in pursuing economic and social mobility.
- **Expiring Tax Credit Properties:** South Shore has 20 LIHTC properties, comprised of 1,781 units. LIHTC are federal tax credits that include a 15-year or 30-year affordability restriction on a portion of units. Remaining units are supported by Project Based Section 8 or Housing Choice Vouchers. LIHTC credits were originally allocated to 11 of the 20 South Shore properties between 1987 and 1991, which means that they have already passed the 30-year use period. If additional agreements have not already been made, the properties could be at risk of being sold or converted to market-rate units.

Given the high percentage of financially-burdened renters in South Shore, it is important to sustain affordability for existing residents, while creating new housing options for a greater range of income levels.

FINDING 3: OPPORTUNITY TO GROW HOMEOWNERSHIP



South Shore’s 23.7% homeownership rate is among the lowest in Chicago, far below the citywide average of 45%, yet the rate has remained relatively stable since 1960.

Although some cost-burdened South Shore homeowners struggle with rising costs, the community’s economically-diverse group of homeowners continues to reflect South Shore’s history as an enclave of the Black middle-class homeownership, and presents an opportunity for continued growth.

7 Lawyers’ Committee for Better Housing, *Chicago Communities*, 2021. <https://eviction.lcbh.org/geography/type/ca>

8 Lawyers’ Committee for Better Housing, *Chicago Communities*, (2021). <https://eviction.lcbh.org/geography/type/ca>

9 <https://www.wbez.org/stories/cook-county-evictions-are-back-to-pre-pandemic-levels/d40d42ee-3331-413f-8558-38d2f17a8521>

10 U.S. Census Bureau, “Median Gross Rent,” American Community Survey 2020 (5-Year Estimates)

11 Here the total housing units is used instead of total occupied housing units, because the LIHTC occupancy rate is unknown.

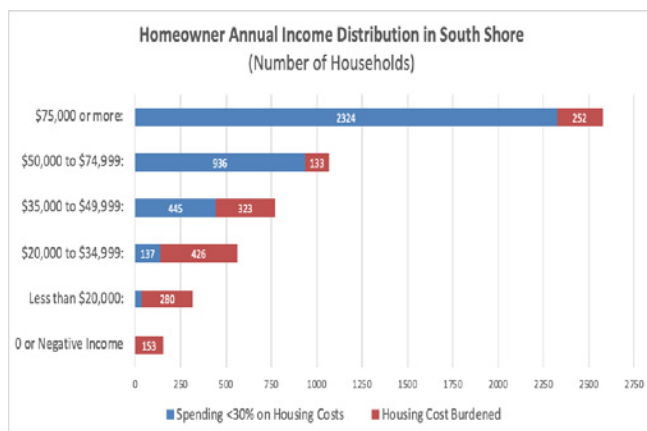
12 Note that this is different from the available HCV units, because the occupied rate for the HCV program is 87%.

OVERVIEW OF HOMEOWNERSHIP UNITS

South Shore's 5,446 owner-occupied housing units are distributed across South Shore's 15 census tracts and across all residential property types. An analysis of County tax data shows roughly 2,869 owner-occupied households live in single family homes (49% of homeowners); 1,592 live in a condominium (27% of homeowners); and 1,240 reside in 2- and 3- flats (21% of homeowners). Of residents living in owner-occupied housing, 49% have resided in the community since 1999 or earlier.¹³

ECONOMICALLY DIVERSE HOMEOWNERS

A significant portion of homeowners in South Shore are financially secure. The majority of homeowners (71%) are *not* housing cost-burdened, and nearly half (47%) earn more than \$75,000 annually, above the citywide annual median household income. Most homeowners own one or more vehicles (92.7%) and own homes with two or more bedrooms. In fact, South Shore has a greater number of financially secure homeowners (3,878) who are not burdened by housing costs than renter households using Housing Choice Voucher assistance (3,230).



While the majority of homeowners in South Shore have above average incomes, 29% are considered housing cost-burdened, meaning they pay more than 30% of income on housing costs.¹⁴ Further, 41% of South Shore's owner-occupied units have senior heads of households aged 65 and above, most of whom are likely on fixed incomes. These homeowners, for which some overlap is likely, are already facing economic pressures, which are likely to increase as South Shore's housing market continues to develop.

SOUTH SHORE PROPERTY CONDITIONS AND HOME REPAIRS

Ninety percent of South Shore structures are constructed of brick and are an average of 80 years old.¹⁵ The SSPS identified 464 properties in South Shore in need of external repairs. Notably, these buildings were evaluated by exterior survey only, and therefore do not reflect internal conditions. Most homes identified as needing repairs are located south of 75th Street, with a concentration on South Constance Avenue, near South Shore High School.

In addition to standard maintenance and repair needs, South Shore's primary zip code, 60649, is a high flooding zip code. More than \$8 million in flood insurance payouts went to 60649 between 2007-2016.¹⁶ Flooding and wet basements increase maintenance and repair costs while lowering home values up to 10-25%.¹⁷ As a lakefront community, South Shore has witnessed growing shoreline erosion in the past two decades. The SSPS shows that 30 South Shore parcels with structures on them, 20% of which are condominium and co-op properties, abut the lakefront and are at risk of great damage without preventative measures and federal coordination.

Structures built in the early 20th century can require expensive repairs and costly upkeep, presenting a substantial burden for homeowners who are not financially prepared, or who are struggling with other increasing costs including but not limited to property taxes. Expenses can grow exponentially if a property's maintenance is deferred or if a home experiences some type of damage. Such homeowners would benefit from affordable access to home repair grants and capital to address these maintenance needs.

In fact, some homeowners who are unable to address deferred maintenance needs are at-risk of losing their homes. Housing in extreme disrepair may be placed into the City's Troubled Buildings Initiative (TBI), a program initially designed to address challenging rental properties, including by pressuring negligent landlords to repair and maintain dilapidated buildings and in severe cases, transfer ownership to other responsible parties. Owner-occupied homes with significant deferred maintenance or building code violations can also be placed into the program. TBI is currently working with 526 properties in

¹³ American Community Survey 2020 (5-Year Estimates).

¹⁴ Ibid

¹⁵ ACS 2020 (5-Year, 2016-2020)

¹⁶ <https://ent.org/urban-flooding/flood-equity-map>

¹⁷ <https://www.cmap.illinois.gov/onto2050/strategy-papers/stormwater>

South Shore, of which an estimated 170 are owner-occupied, and such owners likely require financial assistance and/or additional interventions to address repair needs and avoid losing their homes.

HOMEOWNERSHIP GROWTH REQUIRES ACCESS TO CAPITAL

Given South Shore's low homeownership rate and high housing unit vacancy rate, opportunities exist to attract new homeowners to the community. These opportunities will contribute to neighborhood revitalization and attract additional spending power that will attract and support new and existing businesses in the commercial corridors. To do so, prospective buyers will need equitable access to affordable capital to purchase or purchase and rehab a home.

To supplement the SSPS, federal Home Mortgage Disclosure Act (HMDA) data from 2007-2020 was reviewed and analyzed to learn about the key trends in the South Shore mortgage market, covering transactions including closed-end mortgage loans or secured lines of credit. Cash sales, which are rising in markets nationwide,¹⁸ including South Shore, are not included as they are exempt from institutional reporting.¹⁹

According to the HMDA data, overall total mortgage originations for South Shore, for all property types, decreased significantly in the aftermath of the 2008 housing crisis but began experiencing a rebound in 2014. Key observations include:

- **Equitable access to capital:** Mortgage origination trends by race are steady over time, with African American borrowers originating approximately 75% of total mortgages in South Shore, followed by white borrowers at 20%. While South Shore sees a greater number of denial rates than in Chicago citywide, the denial rates do not appear to differ by race of the borrower.
- **Loan pricing:** An analysis of loan pricing from 2018 to 2020 shows distributional differences in pricing by borrower race. Particularly in 2019 and 2020, white borrowers received less expensive loans than those given to Black borrowers. Black borrowers within South Shore also tend to have higher debt-to-income ratios compared to white borrowers.

Equitable and affordable access to mortgage capital for borrowers of all races will be critical to growing South Shore's homeownership rate and is an important component of the path forward.

FINDING 4: VULNERABLE CONDO BUILDINGS AND OWNERS



For decades, condominiums have offered an affordable pathway to homeownership for many South Shore residents, but the combination of aging properties, deferred repairs, limited financial reserves, and

lack of financing products for shared ownership models makes many of South Shore's condo properties vulnerable to increased investor interest, impacting longtime condo owners who are at risk of losing their homes.

Although an exterior "windshield survey" such as the SSPS cannot capture whether a building is rented or owned, condominium property concerns were raised as long-time community issues by resident surveyors and members of the South Shore Community Compact, prompting Harris School students to explore the issue in more detail.

DISTRIBUTION OF CONDO PROPERTIES

Condo owners represent the second largest share of South Shore's homeowners (27%). Data shared with the Center for Shared Ownership (CSO)²⁰ by the Institute for Housing Studies at DePaul University (IHS) found an estimated 190 condo buildings in the South Shore community in 2017, the most recent date of data analysis. At the time, such buildings housed 2,409 condo units,²¹ of which 47% (1,130) were located in 19 large buildings, including 14 buildings of 20-49 units and 5 buildings of 50+ units. Another 47% of the units (1,128) were located in 124 mid-size 5-19 unit properties. The remaining 151 units were located in 47 small 2-4 unit properties.

Although condo buildings of various sizes are found throughout the community, the greatest proportion of condos are concentrated in South Shore's northeast corner, along the lakefront, also known as the O'Keefe Area Council.

18 Share of all-cash sales are increasing (roughly 25 percent in early 2021 according to NAR: <https://www.nar.realtor/blogs/economists-outlook/all-cash-sales-are-rising-sharply-amid-intense-rbuyer-competition>)

19 https://files.consumerfinance.gov/f/documents/cfpb_hmda_small-entity-compliance-guide_2021-04.pdf

20 The Center for Shared Ownership (CSO) is an initiative of the Chicago Rehab Network and Chicago Community Loan Fund that provides leadership, training, and technical assistance to preserve and expand the stock of shared equity housing.

21 Source: IHS analysis of data from the Cook County Assessor, Tax Year 2017

DEFERRED REPAIRS AND UNDERFUNDED RESERVES

The CSO has found that condo buildings in South Shore are struggling with aging housing stock and deferred repairs, contributing to building code violations that need to be addressed. In 2019, the Chicago Rehab Network, a key CSO partner, counted 209 building code violations in the O’Keefe quadrant alone. Common capital repair projects can include but are not limited to exterior façade stabilization (tuckpointing, concrete repair, water infiltration remediation); repairs or system replacements for roofs, HVAC, plumbing, electrical, or windows; elevator modernizations; rehabilitation of common areas; and more. Many condo properties located along the lakefront also face heightened challenges from the impacts of lake water erosion, as highlighted in Finding 3.

Deferred repairs are exacerbated by the fact that Homeowner Associations (HOAs) often lack the resources to finance the needed capital projects. Anecdotally, many owners, particularly seniors, have shared that they are late on dues and/or cannot afford increased or special building assessments that would need to be levied to stabilize the building, resulting in underfunded building reserves. As a result, many HOAs only can afford “patch work” or they defer the repairs altogether, while repairs continue accumulating.

INVESTOR PURCHASES

The inability to stabilize condo properties makes the buildings increasingly vulnerable to being purchased by outside investors and speculators seeking to eventually renovate and sell them at much higher prices, displacing existing residents in the community and putting affordable homeownership further out of reach for others interested in moving to the community.

Data on property transactions in South Shore show elevated and increased investor interest in South Shore, compared to the City of Chicago overall. The percentage of business buyers, ranging from small mom-and-pop investors to large Wall Street-traded equity funds, purchasing condos in South Shore increased from 6.1% in 2007 to 57% in 2020,²² compared to a citywide increase of 5.4% to 9.1%, respectively. Many of these investors presumably are renting units or sitting on the properties until they can buy out the other owners, renovate the properties, and upsell the properties.



To maximize their investment, investors often seek to purchase condo units at the lowest possible prices, particularly those in which the owner and/or building is in financial distress. Such activity includes but is not limited to investors who acquire low-cost units via tax sale. Collectively, the result contributes to property devaluation, which has been a key issue for South Shore condo owners over the past decade. Property tax-assessed values in South Shore have declined by approximately 20% between 2010-2020, and although this is true for all property types, condos experienced a more consistent decline in assessed value.²³ Although condos are the most affordable purchasing option for those looking to buy in South Shore, longtime owners have not recently benefitted from property appreciation.

FINDING 5: OPPORTUNITY TO LEVERAGE PUBLIC INVESTMENT AND PLANNING



South Shore has many opportunities for positive growth. Since 2019, the City of Chicago has targeted key housing and economic development initiatives in South Shore, and additional philanthropic and private investments have begun to follow, all complementing the work of residents and community development leaders. The community also has engaged in a variety of community planning initiatives, which are important in articulating visions for the future, and

²² DePaul IHS

²³ See Luepke analysis on Cook County Property Values: Assessed and at Sale, 2010-2020

residents feel strongly about having a voice to ensure these plans are actualized as intended within their community.

As illustrated on the following page, a variety of public initiatives and emerging projects are underway throughout the South Shore community.

- **INVEST South/West:** South Shore was selected in 2019 as one of the participating communities in Mayor Lori Lightfoot's INVEST South/West initiative, designed to marshal \$750 million in public funding toward 10 south and west side neighborhoods. Community stakeholders provided input on plans for the 79th Street corridor, informing selection of the \$47.3 million Thrive Exchange, a mixed-use project planned near 79th and Exchange Avenue. The project is expected to break ground as soon as Fall 2022. As Corridor Manager, LISC Chicago continues to convene stakeholders to explore additional projects adjacent to the site, along the 79th Street corridor.
- **Micro Market Recovery Program (MMRP):** In 2020, South Shore was designated a target neighborhood of the Chicago Department of Housing's MMRP program, which assists in rebuilding distressed communities by reducing the cost of homeownership, creating communities of choice, and attracting new owners to vacant buildings on targeted neighborhood blocks. Down payment assistance grants and home improvement loans are made available to homeowners in the target area. NNA serves as the neighborhood's community lead, working collaboratively on interventions in a target area running from 67th to 71st Streets, Jeffery Boulevard to South Shore Drive.
- **2020 South Shore Corridor Study:** Additional recent City investments include but are not limited to a \$2.5 million renovation of the South Shore Library, which reopened in 2020, and the South Shore Corridor Study, which was formally adopted by the Chicago Plan Commission in 2020. The Corridor Study was developed in partnership with the Department of Planning and Development, Regional Transportation Authority, and community stakeholders, resulting in a blueprint for the 75th and 79th Street corridors to appropriately position the corridors and the community for success.
- **Private and Philanthropic Investment:** In 2021, Chicago-born rapper Common and producer Derek Dudley announced the \$60 million development of Regal Mile Studios, a film and television production studio, in South Shore. Shortly thereafter, the Chicago Community Trust (CCT)'s We Rise Together initiative

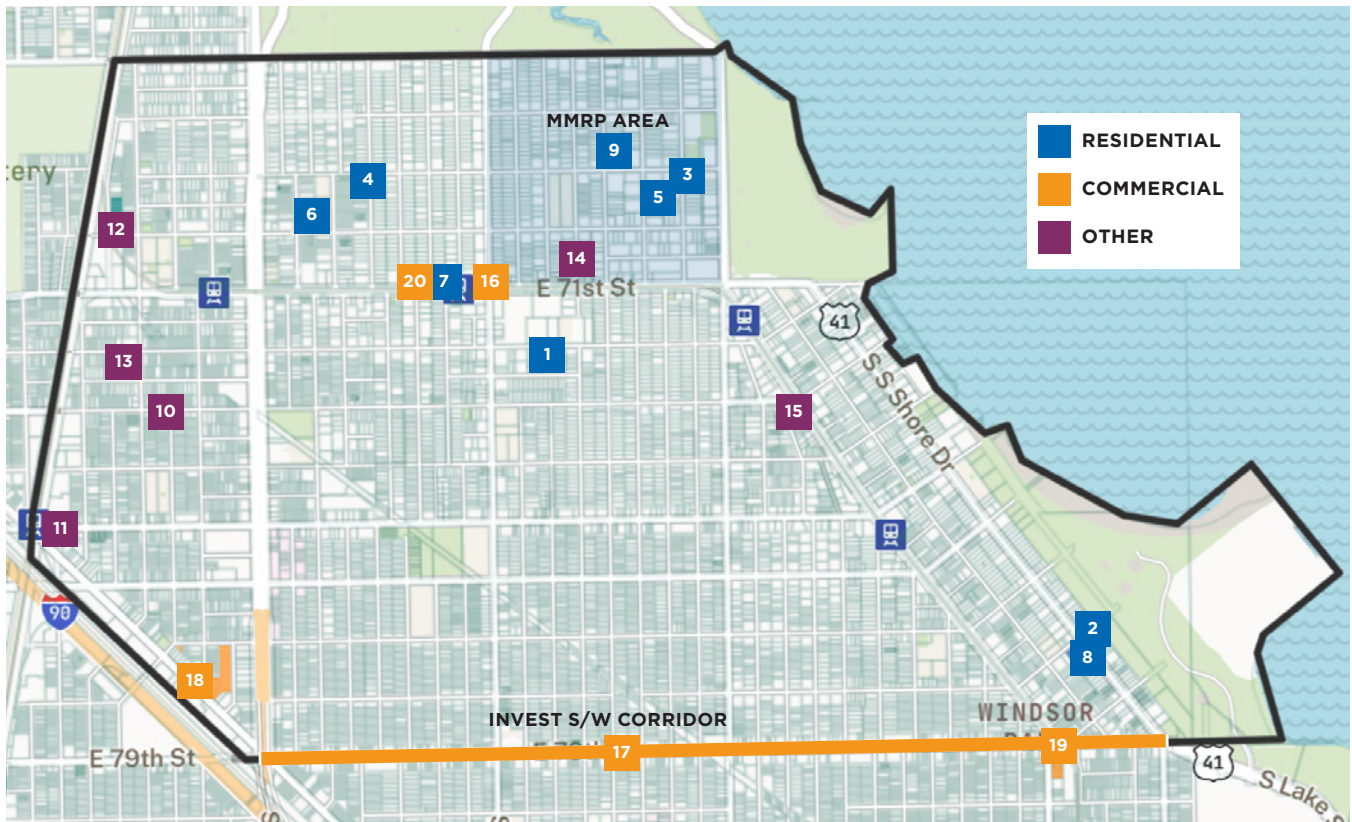
grant funding filled financing gaps in two additional South Shore real estate projects, allowing them to move forward, and CCT is convening a working group to coordinate nearby investments. The projects include a 47,000-square-foot entertainment and dining complex that is targeting a 2023 opening, and a health and wellness center. CCT also provided a nearly \$900,000 grant to the South Shore Chamber of Commerce. The grant enabled the Chamber to establish a Community Development Corporation and will help them with capacity building, financing and pre-development costs for a community-driven real estate project.

- **2022 Quality of Life Plan (QLP):** Over the past year, the South Shore Community Compact also has participated in a QLP planning process through LISC Chicago, bringing together a diverse set of stakeholders to identify broad community priorities. The QLP focuses on seven issue areas and articulates strategies for future action, including in economic development; resident engagement; health and wellness; arts, culture and entertainment; community stewardship and beautification; housing; and education. The Compact has coordinated this report's recommendations with those laid out in the QLP's housing section and is committed to tracking implementation.

In addition to these larger initiatives, building permit activity in South Shore was analyzed to supplement SSPS findings. Analysis found that in the years since the Great Recession (2008-2021), South Shore had fewer new construction permits (74) than neighboring Woodlawn (326) and Hyde Park (282), but it outpaced those same areas in permits for substantial rehab. Between 2008-2021, South Shore had 2,111 substantial rehab permits, compared to 1,533 in Woodlawn and 1,561 in Hyde Park. The difference might reflect South Shore's highly built environment and limited availability of vacant land but illustrates active investment and renovation activity in building types throughout the community.

The variety of public, private, and philanthropic initiatives underway aim to truly bolster South Shore's housing market and commercial corridors, and local elected officials have expressed excitement and support for these important projects. With coordinated planning and oversight from a dedicated population of residents and community leaders, the South Shore community has the potential to be a model of truly inclusive, balanced development.

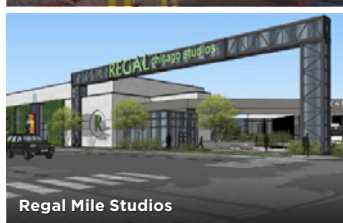
NEW AND PROPOSED SOUTH SHORE DEVELOPMENTS



- 1** 2050 E 72ND PL APARTMENTS
- 2** 3012 E 78TH ST CONDOS
- 3** 6901 S OGLESBY CO-OP
- 4** 6904 S CREGIER APARTMENTS
- 5** 6931 S CRANDON CONDOS
- 6** 6943 S CORNELL APARTMENTS
- 7** 7051 S BENNETT CO-OP
- 8** 7800 S SOUTH SHORE DR APARTMENTS
- 9** MMRP AREA
- 10** COMMUNITY HEALING GARDEN
- 11** CORNELL BUILDING
- 12** KENWOOD GARDENS
- 13** REBUILD ARTS INCUBATOR
- 14** SOUTH MERRILL COMMUNITY GARDEN
- 15** SOUTH SHORE LIBRARY



16 **INNER CITY ENTERTAINMENT**
Dine-in cinema, restaurant, bowling and billiards center, and rooftop event space. *Projected to open late 2023.*



17 **INVEST SOUTH/WEST CORRIDOR**
Re-activated 79th Street Corridor to focus on pedestrian activity, shopping, services, transportation, public spaces, and quality-of-life amenities for local residents.



18 **REGAL MILE STUDIOS**
Six studios for film and television production.

19 **THRIVE EXCHANGE**
Rehab of historic Ringer Building, 39 rental units, 24 condos, and commercial space (INVEST South/West Project).



20 **URBAN CORE**
Yoga studio, health/wellness businesses, and a small garden.

SOUTH SHORE: WHY NOW?

Given the arrival of the OPC and the subsequent investment and development activity that has recently accelerated in areas including South Shore, the South Shore Community Compact believes the time is now to build on the community's strengths, harness momentum, and pursue opportunities for equitable, inclusive growth. Community leaders want to play an active role in defining, steering, and overseeing efforts that will determine South Shore's future, while also preventing displacement of existing residents. If "the whole is greater than the sum of its parts," opportunities to provide feedback on an individual project or initiative will not suffice. Leaders are ready to truly impact the future of the entire community.

South Shore is a complex community, facing a series of nuanced challenges that are highlighted in the pages of this report. Yet one of its greatest assets is the talent, expertise, pride, and determination of the people who live here, and their continued interest and advocacy for bringing progress, innovation, and growth to South Shore and its residents.

With patience and perseverance, established, long-time residents have advocated for South Shore for decades,

even while witnessing firsthand the impacts of population loss, disinvestment, federal and local housing policies, and speculators attracted to a treasure trove of community assets and amenities—the beautiful lakefront location, extraordinary architectural and cultural treasures, and the peaceful respite of the beaches and parks. Today, community leaders recognize that these beautiful treasures are being discovered. As some friends and neighbors move out of the neighborhood, many residents fear that gentrification is well on its way to South Shore—or that it has already arrived.

Today, South Shore residents are driven by a sense of urgency, ready to welcome growth that is inclusive, equitable, and brings authentic progress to the community, including for current residents. As the community welcomes the OPC to Chicago's South Side, South Shore leaders and residents are ready to roll up their sleeves and work closely with public, private, philanthropic, and community-based leaders to be proactive and strategic in shared efforts to nurture investment while ensuring that existing residents will benefit from change.



COMMUNITY POLICY RECOMMENDATIONS

Based on the findings from the SSPS and subsequent research, the South Shore Community Compact developed the following set of policy recommendations, designed to nurture investment and community growth in a way that is genuinely inclusive and balanced, prevents displacement, and provides a structure in which resident voices can continue to shape and oversee the future of our community. Although the SSPS and accompanying analysis was designed to assess the built environment with a focus on housing, its findings show that the community will benefit from coordinating efforts that reach beyond the scope of housing alone, and recommendations reflect this important dynamic.

The community's policy recommendations are informed by the independent research and analysis conducted by students from the University of Chicago Harris School of Public Policy and technical assistance provided by Regrid, but the policy recommendations in this report are solely those of the South Shore Community Compact and do not reflect the views of Regrid, the University of Chicago, or any entity of, or person employed by or affiliated with the University.

PART A: TO ESTABLISH A STRUCTURE FOR COMMUNITY VOICE AND OVERSIGHT

South Shore residents want to play an active role in shaping the community's future, rather than watching on the sidelines as others make plans on its behalf. The following recommendation is designed to establish a structure for community voice and oversight with partners outside of the neighborhood.

RECOMMENDATION 1

Establish a South Shore Coordinating Council, staffed by a new full-time South Shore Housing Coordinator, to oversee and collaborate on the vast array of resources that are committed, planned, and/or being sought after for investment in South Shore, in a way that aligns and cultivates future investment.

In addition to announced investments, a variety of reports have recently been released with recommendations for

South Shore, and community leaders are eager to translate plans into action. The Council offers a platform for coordination of existing initiatives, while also tracking progress toward the community's shared vision and priorities. Coordination will also help in avoiding duplication or incompatibility and ensuring resources are being used efficiently, in support of the community's vision.

- **Representation:** The Council could be composed of representatives from South Shore Community Compact organizations, a small number of residents, and key external partners, such as administrators from MMRP, INVEST South/West, and Neighborhood Opportunity Fund, Chicago Community Trust Neighborhood Developers Initiative and/or We Rise Together working group, Center for Shared Ownership, those implementing transportation and accessibility improvements, and more.
- **Fund New Position:** The Compact will seek out funding from the City or philanthropic partners to fund a new, full-time, community-based South Shore Housing Coordinator to convene and direct the Coordinating Council, oversee any working groups, and advance the recommendations laid out in this report. Funding for the position should complement but not compete with other existing investments and grant support currently provided to South Shore organizations. The new full-time employee will duly report to the South Shore Works Housing Working Group.
- **Meeting Cadence:** The Council could meet quarterly to offer a single point of coordination, hold public and philanthropic partners accountable for local investments and impact goals, track progress, and ensure residents have a seat at the table to provide ongoing input on the future of their community.
- **Collaboration:** In addition to coordinating project updates, the Coordinating Council can be a place for community voices to offer partnership to the City on initiatives such as attracting larger-scale retail operations to the community or identifying priority neighborhood corridors in which to target specific resources in the future. The Council can also offer a platform for continued ideation, such as whether to establish a South Shore Renter Task Force that reviews models from other cities to identify new or tailored solutions for renter challenges in the community.

PART B: TO SUPPORT EXISTING RESIDENTS AND PREVENT DISPLACEMENT

The South Shore Community Compact welcomes new investment in a way that is committed to authentic, inclusive, balanced development and strengthens the community's future for all residents. The following recommendations are designed to preserve South Shore by prioritizing support to longtime residents and businesses and ensuring they aren't priced out of the community.

RECOMMENDATION 2

Identify new resources and implement strategies to preserve homeownership for existing South Shore owners, including interventions that allow seniors to age-in-place.

- **Home Improvement Grant Program:** Establish a South Shore Long-Term Homeowner Home Improvement Grant Program, modeled after the Woodlawn program of the same name, to help existing South Shore owners of various property types finance repairs, maintain their homes, and stay in the community. Although the SSPS acknowledged that property *exteriors* were in good condition, many stakeholders expressed concern about interior conditions, particularly for housing-cost burdened homeowners, those on fixed incomes who do not have resources for home repairs, and/or owners who are impacted by flooding or water damage. The Woodlawn program helps protect existing residents from



displacement and ensures that existing housing stock offers good quality housing, in anticipation of the OPC's arrival. The same reasoning could be extended to South Shore. The program could mirror eligibility requirements, assisting homeowners with five or more years of residency in their home with a grant of up to \$20,000 for home repairs.

- **Community Succession Planning Strategy:** To prevent future housing vacancies and minimize opportunities for outside investors to acquire additional properties, establish an outreach program for South Shore's senior homeowners to ensure they have an estate plan for their property or that the community can help identify a prospective buyer when they are ready to sell the property.

RECOMMENDATION 3

Preserve affordable condo buildings and shared ownership opportunities for long-time residents by collaborating with the Center for Shared Ownership (CSO) on a focused South Shore strategy.

Condominium buildings and shared equity co-ops currently offer affordable homeownership opportunities within South Shore, but many struggle with governance and financing issues or include owners who are not aware of or do not fully understand the responsibilities of joint ownership. The CSO is already actively working in South Shore to identify at-risk buildings, deliver workshops and technical assistance, conduct risk assessments, triage interventions, stabilize properties, and provide ongoing mentorship to HOAs. An expanded partnership could grow education, technical assistance, legal services, and financing opportunities to ensure HOAs are set up for long-term success. To advance this strategy:

- **Expand existing South Shore efforts:** The CSO's existing work could be expanded through Train the Trainer sessions to educate potential buyers, realtors and/or housing counselors about the responsibilities of shared ownership. Additionally, free or low-cost legal assistance could be identified to address condo governance issues, with the goal of maintaining affordability for South Shore's condo owners.
- **Partner to protect owners from investors seeking to gain control of South Shore condos:** Work with the CSO to educate the HOA community about an existing City ordinance that requires 85% of HOA owners to approve a building sale to investors.



- **Develop, implement, and scale new City pilot program:** Entire condo buildings in South Shore are increasingly at risk of failure or conversion to high-cost units due to the inability to finance significant capital and deferred repair needs. In some cases, a condo may not qualify for a mortgage because of building code violations, while in others, the HOAs lack adequate financial reserves to pay for the repairs. HOAs face significant barriers in accessing financing, as the unsecured nature of condo common element loans and a misunderstanding of cooperative and townhome governance structures keep banks away. The recently announced City of Chicago South Shore Condo/Co-Op Preservation Fund Pilot program will establish a product to assist owner-occupants with repairs and provide a low-interest long-term loan/grant product to HOAs for deferred maintenance. This new program should be implemented quickly, and outcomes should be tracked and evaluated to inform policy change.
- **Loan loss reserve:** On a parallel track, identify philanthropic funding to utilize as a loan loss reserve and collateral for condo properties seeking out a loan to finance deferred maintenance and repairs in common spaces.
- **Long-term policy change:** Leverage findings and best practices from initiatives above to advocate for

legislation to remove barriers to condo associations accessing financing for rehabilitation or repairs of communal building areas, creating a permanent change in the financing marketplace to support affordable shared ownership opportunities for long-time owners.

RECOMMENDATION 4

Lower South Shore’s eviction rate by partnering with Chicago Department of Housing (DOH), the Lawyers’ Committee for Better Housing, and Beyond Legal Aid on a South Shore specific outreach campaign as part of the newly announced Right to Counsel Pilot Program.

The City’s three-year pilot program, launching in the second half of 2022, will provide full- and limited-scope legal representation at no cost to eligible low-income tenants at risk for or subject to eviction. Nationwide, an estimated 90% of landlords in eviction lawsuits have legal representation, compared to only 10% of tenants. In South Shore, the gap is even wider: in 2019, 94% of landlords in eviction lawsuits had representation, compared to only 9% of tenants²⁴. The City of Chicago’s pilot program is informed by best practices being implemented in other

²⁴ Lawyers’ Committee for Better Housing, *Chicago Communities*, (2021). <https://eviction.lcbh.org/geography/type/ca>

jurisdictions including but not limited to New York, Philadelphia, and Cleveland. Although the pilot program is intended to operate citywide, South Shore has the greatest number of eviction cases in Chicago and is a meaningful and justifiable location in which to expand the reach of the pilot by pairing it with grassroots outreach in a heavily impacted community. Further, philanthropic resources could be invested to complement the City's investment, with a focus on South Shore, allowing the program to assist an even greater number of at-risk renters.

RECOMMENDATION 5

Establish First Right of Refusal programs and strategies within the South Shore community to protect existing residents from displacement.

Woodlawn established a First Right of Refusal pilot program in response to community concerns regarding resident displacement due to the OPC. Given its location and housing stock, the South Shore community shares the same concerns and seeks the same level of protections via a variety of strategies.

- **Large Apartment Buildings:** Extend the Woodlawn Tenant First Right of Refusal pilot program to the South Shore community for larger apartment buildings in South Shore. The current Woodlawn pilot program, outlined in the Woodlawn Housing Preservation Ordinance, gives renters in larger apartment buildings the right of first refusal if a landlord seeks to sell his/her building. Instead of being automatically displaced, tenants have the right to form a tenants' association and enter into an agreement with a not-for-profit affordable housing developer to purchase the building and maintain it as affordable. The pilot should be extended to South Shore.
- **Co-ops:** Alternatively, tenants may be interested in exploring opportunities to pool resources and purchase the property as part of a conversion to a co-op property. This strategy has recently been successful in gentrifying Chicago neighborhoods but requires a significant amount of education and technical assistance. In South Shore, opportunities exist with the CSO and others to educate residents about co-ops and support them in a co-op conversion.

RECOMMENDATION 6

Preserve existing housing affordability by collaborating with the Preservation Compact to

develop and implement a focused South Shore strategy, utilizing a variety of tools to preserve existing affordable rental housing units, including expiring use LIHTC units, NOAH properties, troubled investor-owned buildings, and more.

The Preservation Compact was formed in 2007 to respond to growing losses in the region's supply of affordable rental housing. Through the initiative, leaders from a variety of disciplines come together to identify the most pressing affordable rental housing problems, devise solutions, and implement on-the-ground strategies that can assist developers, owners, tenants, government officials, and nonprofit organizations in ensuring safe, affordable housing far into the future.

Development and implementation of a South Shore-specific strategy that is conducted in partnership with the South Shore Community Compact and other community stakeholders could address the range of issues faced by at-risk renters, including government-subsidized affordable units and maintenance of naturally occurring affordable housing units to ensure they remain affordable for the long-term.

RECOMMENDATION 7

Work with the Chicago Housing Authority to dramatically increase wraparound service resources for HCV tenants living in the community by establishing a South Shore HCV Resident Services Fund.

South Shore houses the largest population of HCV tenants in the city, and although their rental units are scattered throughout the community, residents would benefit from designated funding and a centralized coordinator located in the community to support their pathway to social and economic independence.

PART C. TO NURTURE INVESTMENT AND INCLUSIVE COMMUNITY GROWTH

The South Shore community welcomes the extraordinary opportunities brought by the OPC and the growing number of new development projects and investment that is being directed to the community. The following recommendations are designed to harness that



momentum, repopulate South Shore through a range of affordable homeownership opportunities, and address longstanding residential and commercial vacancies to support an environment for inclusive growth.

RECOMMENDATION 8

Advance a community marketing campaign highlighting South Shore’s amenities, proximity to downtown, and new and existing entertainment offerings and cultural treasures. Design the campaign to enhance the community’s narrative and attract new homebuyers to the neighborhood, filling housing vacancies with owners across a range of income tiers, and rebuilding the housing market in a way spurs population growth.

Population growth and new residents could, in turn, increase the neighborhood’s median income in a way that attracts new retailers to open their doors in the community, thereby filling business vacancies and increasing the availability of goods and services within South Shore. The campaign, led by the Compact, could include both paid media and proactive community-based marketing, including to renters in adjacent neighborhoods who are exploring opportunities for affordable homeownership in the general vicinity.

RECOMMENDATION 9

Launch a series of homeownership initiatives and partnerships in support of the community’s homeownership goals in a way that serves households across a range of incomes.

With its solid housing stock, variety of housing property types, and economic diversity of current residents, South Shore can embrace a wide variety of pathways and initiatives to achieving homeownership in the community. Inclusive strategies to achieve these goals include:

- **Work with Neighborhood Housing Services of Chicago (NHS) to discuss the feasibility of an NHS Outpost in South Shore:** As a HUD-certified counseling organization and Community Development Financial Institution, NHS is committed to offering residents affordable resources so they can buy, fix, and keep their homes. Explore funding needs and identification of shared space in a community to build on existing success of counseling services and expand services, connecting prospective homeowners to homebuyer education, counseling, and affordable financing to purchase a home in South Shore.
- **Partner with Responsible Lenders:** Identify a portfolio of responsible lenders who are actively making sustainable mortgage loans in the South Shore community to ensure that prospective homeowners have access to capital to purchase the home.

- **Increase Shared Ownership Opportunities:** Partner with the CSO to promote opportunities for co-investment and co-ownership, including opportunities for existing residents to form co-ops, offering an affordable pathway to ownership.
- **South Shore Down Payment Assistance Program:** Ask the City and/or Illinois Housing Development Authority (IHDA) to establish a down payment assistance program targeted to existing South Shore renters living in unsubsidized properties who have the financial capacity to transition to homeownership and want to stay in the community.
- **South Shore Choose to Own Collaboration:** In partnership with the Chicago Department of Housing and CHA, design and implement a South Shore Choose to Own (CTO) pilot program to increase the total number of CTO households in South Shore by 1) identifying prospective candidates and partnering on outreach to advise them of the opportunity, and 2) exploring strategies to address barriers created by credit score requirements that often hold HCV renters back from pursuing homeownership, even if they can make the required monthly payment. Strategies could include piloting a down payment assistance fund that allows for more flexible credit scores or connecting with other trusted, responsible lending partners, such as Seaway Bank, who may offer products to address the barrier. An intentional CTO strategy in South Shore will simultaneously increase affordable homeownership and prevent resident displacement.

RECOMMENDATION 10

Develop a coalition, including the Chicago Housing Trust, to permanently protect affordability of a portion of homeownership units within the South Shore community by establishing a South Shore Community Land Trust.

Community land trusts are primarily used to ensure long-term housing affordability by providing long-term protections to participating homeowners. A local land trust can protect owners by allowing them to build equity through homeownership while ensuring they are not displaced due to land speculation, economic shifts in the market, and the potential impacts of gentrification.

RECOMMENDATION 11

Remove policies that are currently encouraging absentee owners and bad actors to keep community properties and storefronts vacant.

Since 2020, via the Cook County Assessor's Vacancy Policy, property owners are eligible to receive tax relief if they own a vacant property, even if they are sitting on it without an immediate intention to rent or sell. Although some degree of vacancy is a natural part of any local business district, such practices and absenteeism run rampant in South Shore and should not be rewarded.



Through the Vacancy Tax Relief Fraud Initiative, led by the South Shore Chamber of Commerce, and advocacy for the Vacancy Fraud Act being considered in the State legislature, remove incentives that keep storefronts vacant by requiring property owners who are receiving vacancy tax relief to actively lease, sell, or renovate the property. Property owners must not be rewarded for taking advantage of tax breaks for long-vacant properties.

RECOMMENDATION 12

Establish proactive strategies to put publicly-owned vacant land or buildings back to productive use in a way that supports the needs and interests of South Shore residents.

Partner with the City of Chicago and Cook County Land Bank Authority (CCLBA) on a targeted, strategic effort to reactivate publicly-owned vacant lots and properties in a way that retains pockets of affordability in the community:

- Engage the community in re-envisioning and prioritizing future uses for vacant spaces.
 - Incorporate best practices learned from other Chicago communities that have recently experienced gentrification as a result of outside investment.
 - Establish an implementation plan with projected funding streams and a framework for monitoring and evaluation of the reactivated lots.
- For vacant land and properties that are not yet publicly owned, deepen existing partnerships with the City and CCLBA to acquire such parcels and put them back to productive use in a way that supports the community's vision. In doing so, leverage the Encumbrance Ordinance, which relieves City debt on vacant and abandoned properties that have the opportunity for rehabilitation for homeownership or business development.



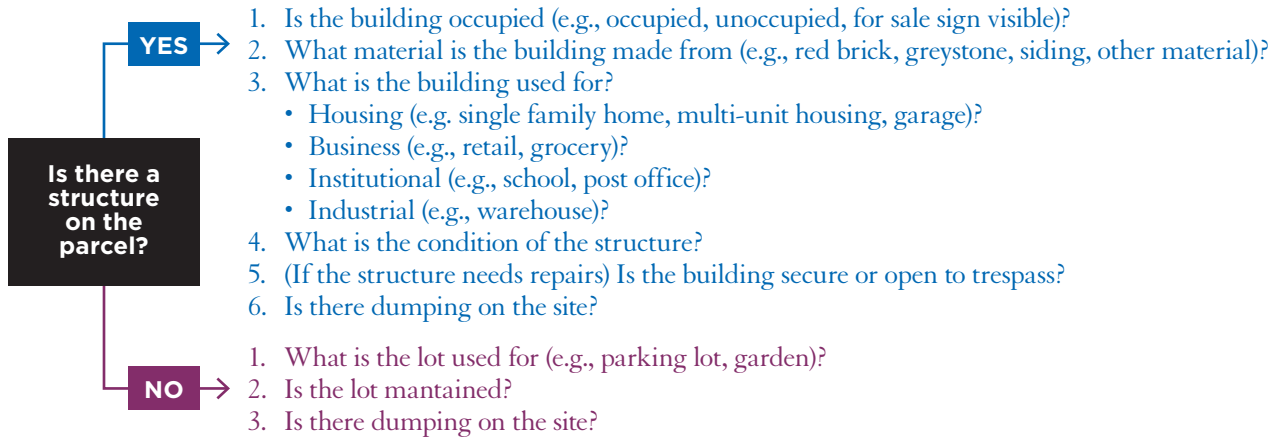
CONCLUSION

The South Shore Community Compact was established to collaborate in advancing a vision for our community's future. This report has helped to provide the knowledge and fact-base needed to forge a meaningful path forward. We recognize the unique assets and treasures within the South Shore community, and welcome the attention and resources finally being paid to the place we call home. Yet we refuse to let longtime South Shore residents be left behind during this historic

juncture in South Side history. A narrow window of opportunity exists to steer this exciting growth in a way that also allows longtime South Shore residents to experience the benefits of change and investment. That is why the South Shore Community Compact stands ready to proactively work with others to nurture investment and community growth in a way that is genuinely inclusive and balanced. The time to act is now. Let's make our vision a reality.

APPENDIX

SOUTH SHORE PARCEL SURVEY QUESTION SEQUENCE



SOUTH SHORE PARCEL SURVEY RESULTS

Is there a structure on the parcel?
(8596)

- Yes, 7256
- No, 1340

3A. What type of housing? (6642)

- Single-Family House, 3551
- Multi-Unit Housing, 3039
- Garage, 52

4. What is the condition of the structure? (7256)

- Good condition, 6792
- Needs repairs, 464

STRUCTURE ON PARCEL

1. Is the building occupied? (7256)

- Occupied, 6629
- Unoccupied, 400
- Maybe, 172
- Under Construction, 21
- Partly Occupied, 20
- Unoccupied with sign (For Sale or Rent), 14

3B. What type of business? (423)

- Service, 180
- Vacant or Unknown, 86
- Multi, 50
- Retail, 48
- Restaurant, 33
- Grocery, 17
- Entertainment, 5
- Office, 4

5. Is the building secure or open to trespass? (463)

- Secure, 426
- Open, 37

6. Is there dumping on the site? (1015)

- Yes, 133
- No, 882

2. What material is the building made from? (7256)

- Brick, 6505
- Siding, 586
- Other, 127
- Greystone, 38

3C. What type of institution? (167)

- Religious, 56
- School, 47
- Health, 38
- NPO, 11
- Recreation, 8
- Government, 4
- Vacant or Unknown, 2
- Safety, 1

NO STRUCTURE ON PARCEL

1. What is the lot used for? (1340)

- Vacant, 672
- Parking, 255
- Attached, 234
- Railroad Tracks or Other, 105
- Park, 57
- Community Garden, 17

3. What is the building used for? (7256)

- Housing, 6642
- Business, 323
- Institutional, 167
- Mixed Use Housing/Business, 100
- Industrial, 23
- Unknown, 1

3D. What type of industrial? (23)

- General Industrial, 14
- Vacant or Unknown, 6
- Warehouse, 3

2. Is the lot maintained? (1340)

- Yes, 788
- No, 552

3. Is there dumping on the site? (1015)

- Yes, 133
- No, 882

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South Shore Community Compact and its member organizations, The Neighborhood Network Alliance, South Shore Works, and the South Shore Chamber of Commerce, are Chicago, Illinois-based organizations and have no affiliation with Regrid or the University of Chicago.

The policy recommendations in this report are solely those of South Shore Community Compact and do not reflect the views of Regrid, the University of Chicago, or any entity of, or person employed by or affiliated with the University.



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