

TO: Members of the Community Development Commission

As resident and home owners we cannot afford to ignore the lived reality and the daily challenges we face living in our community. These realities and challenges will be the same ones facing 800 to 1000 people in a 1 square block radius without adequate resources, policing and infrastructure to sustain them based on the current Rosenwald plan. We cannot accept mediocrity while some people choose to ignore the challenges and realities that our community face. We cannot fall prey to the “something is better than nothing” mentality which generally ends with someone accepting less than they deserve. **There is a time when NOTHING is better than SOMETHING and that time is now as it relates to the current Rosenwald development plan.** The current Rosenwald plan is not based on the lived reality that residents experience on a daily basis around the Rosenwald.

The Rosewald4All position is not an attack on low income housing or the working poor. Nor is this a Not In My Back Yard (NIMBY) mentality. For heaven sakes, we live in a ward that has more low income and public housing than any other ward in the City according to the Metropolitan Planning Council. If anyone has the right to say “No” to low-income housing it is the residents of the 3rd ward. But this is NOT what we are saying. We are socially and morally obligated to protect the least of thee from the greediest of thee. As concerned residents we would be socially void if we did not seek to improve the current Rosenwald plans which are not in the best interest of future tenants, current residents nor the community as a whole.

As such, the residents and homeowners ask the CDC to withhold any decision until the redevelopment plan has addressed the concerns raised by the residents as outline in this statement and in the general letter.

➤ Social Responsibility:

Supporting the current Rosenwald plans would be socially irresponsible and incomprehensible. With the demolition of the failed housing complexes in Chicago (i.e Robert Taylor), nowhere in the City of Chicago can you find a development that will resembles this 1 square block of high density, 331 units, 120 subsidized units, 95% low-income housing development which resembles the already failed urban housing complexes/policies that concentrated families in a small area.

- Currently the 3rd Ward is already the poster child for low income and public housing as it has more low income and public housing than any other ward in the city according to the Metropolitan Planning Council.
- The current unit mix of 95% low-income including at least 60 senior units being project based subsidized units and at least another 60 senior units being CHA subsidized units which come with additional extended use agreement that could go up to 40 years is unacceptable at current levels.
- The Current location is lacking the resources and infrastructure to effectively integrate 331 units approximately 800 to 1,000 people into a 1 square block. There is also a tremendous amount of concern for our seniors.
 - The current plan for offsite parking creates a security hazard for the seniors given the location of the parking and the current challenges of the area with respect to drug activity and other illegal activities.
- The community can ill afford to be locked in a 30-40 year extended use agreement for 95% of the Rosenwald that makes it a negative force and pull against any positive growth in real-estate in the immediate area.

Possible Recommendations:

- Reduce the overall number of units and the unit mix allocations (i.e. 50% residential, 30% retail and 20% commercial allocation). Look into leveraging other available tax credits like New Market Tax Credits to keep the project financially viable.

- Use TIF dollars to build a better infrastructure that will insure the security and safety of new and current residents. Interestingly some home owners are in favor of paying more taxes in order to hire private security as part of a Special Service Area.

➤ Commercial/Retail Components

The current area is lacking in terms of commercial and retail opportunities to support proposed population. The proposed 20,000 sf. of retail space is woefully inadequate to have any impact on the immediate area.

➤ Fiscal Responsibility

Support of the current plan is fiscally irresponsible and incomprehensible. We are fiscally obligated to ensure that all public funds such as the 47/King Drive TIF are used for the betterment of the community and in alignment with the 47/King Drive Redevelopment Plan (47-KD-RDP). The current Rosenwald plan by LandWhite is not the best use of our TIF money and is not aligned with the 47-KD-RDP. We ask the CDC to hold up the RDP as a guide for evaluating this project. The RDP defines 9 general redevelopment goals and 11 objectives. Attached are the goals and objectives. When comparing this current plan from LandWhite the 47-KD-RDP you will see it does not meet the general goal of renovating the viable structures that do remain to create NEW residential opportunities in the Redevelopment Area. There is nothing new about this plan as it is a plan of the past. This plan does not meet the goal to increase the number of new owner occupied residential structures, as well as rental units for a variety of income levels. This plan will not lead to home ownership and there is no variety whatsoever in it.

We ask that the CDC not ignore 47-KD-RDP which was written to provide goals and criteria on how the money should be used. Approving this plan while using the 47-KD-RDP as a guide is like putting a square peg into a round whole. It just does not fit.

The developer's position is that their plan would financially unviable if there were make any changes in unit mix given that will affect the amount of low-income money that are seeking. Let's take a look at the numbers that make this current plan financially irresponsible and incomprehensible

- Rosenwald for All wants to know how spending an approximate \$30 million TIF, \$7 million tax exempt bonds, \$35.5 million housing tax credit, \$16.5 historic tax credits, \$3.8 million donation tax credits, and \$16.2 million in other loans and grants for one block and for 331 units makes any measure of common sense when you consider the following:
 - Price per unit assuming a \$110,000,000 Million renovation is roughly \$332,000!
 - Foreclose live in ready 3 bedroom condos with appliance originally sold for roughly \$250,000 are now selling on average for \$50,000
 - With the current Rosenwald plan for the price of 1 rehabbed unit \$332,000 you can purchase rough 7 (6.6) foreclosed live in ready 3 bedroom condos.
 - For the price of \$110,000,000 Million you can purchase 2,220 live in ready 3 bedroom foreclosed condos
 - This means that for \$110,000,000 which is the price to renovate the Rosenwald into a 95% low income development, you can provide 2,220 families with 3 Bedroom live-in ready condos dispersed across the entire ward.

Simply saying that any changes to the plan make it financially unviable is unacceptable because the plan is already financially unviable. Anyone supporting this current plan needs to prove how it is the best use of our TIF money.

Submitted by Rosenwald for All - Concerned neighbors working towards a better Rosenwald.

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An electronic copy of the position statement can be found at: <http://tinyurl.com/Rosenwald-Position>. An electronic copy of this statement to the CDC can be found at <http://tinyurl.com/CDC-Statement-07-10>.