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CHICAGO HOUSING AUTHORITY

DRAFT ACOP AND LEASE -)
WASHINGTON PARK SHOPS AND)
LOFTS AT 47TH)

TRANSCRIPT OF PROCEEDINGS had in the
above-entitled cause on the 6th day of January, A.D.
2011, at 4859 South Wabash Avenue, Chicago, Illinois at
6:03 p.m.

CHICAGO HOUSING AUTHORITY:

ANNA LEE, Assistant Director of Research and
Reporting;
BRIDGET HOWARD, Special Projects Manager.

REPORTED BY:

MS. CATHERINE ARMBRUST RAJCAN,
CSR, RMR, RDR, CRR, CCP, CBC.

1 ANNA LEE: Okay. So good evening. My name is Anna
2 Lee, and I'm the Assistant Director of Research and
3 Reporting for the department -- for the Chicago Housing
4 Authority. And I would like to welcome you all to the
18:04:06 5 public comment hearing for the draft revisions to the
6 Admissions and Continued Occupancy Policy, known as the
7 ACOP, and the Tenant Selection Plan, and the draft
8 revisions to the Lease Agreement for the Shops and Lofts
9 at 47th Street.

18:04:22 10 The purpose of this hearing is to receive
11 comments on the proposed documents before presenting them
12 to the Board of Commissioners for approval and submission
13 to HUD.

14 In addition to voicing your comments here
18:04:35 15 tonight, residents and the community at large have an
16 opportunity to submit written comments to CHA during the
17 comment period, which began on December 20th and runs
18 until January 19th. Copies of the proposed documents are
19 currently available on CHA's website, www.theCHA.org.
18:04:57 20 We've also brought copies of the documents along with us
21 tonight for outside viewing.

22 If you have not already done so, please make
23 sure you sign in at the registration table before you
24 leave tonight.

18:05:07 25 We have a sign language interpreter here

1 tonight; she's seated at the front of the room.

2 Maybe you can just introduce yourself and sign
3 just in case people need to -- okay.

18:05:30

4 So we have Elaine Weathers with us tonight. And
5 if you are in need of interpretation, sign language
6 interpretation, please let us know, and we'll make sure
7 that Elaine is near you to assist. We also have a
8 Spanish interpreter -- I'm sorry -- Spanish translator
9 tonight, both Edith Diaz and --

18:05:50

10 (Spanish interpretation provided.)

11 ANNA LEE: The court reporter is also here; she's
12 seated to my left. And she will transcribe everything
13 that is said during the meeting.

18:06:25

14 There are also various CHA staff here tonight
15 and available to answer specific questions about the
16 public hearing.

17 Before we open the floor for comments, I'd like
18 to introduce David Block of TCB to provide us an overview
19 of the development.

18:06:39

20 DAVID BLOCK: Thank you, Anna. Good evening
21 everybody. Thank you for coming out tonight to talk
22 about this project and hear a little bit about this
23 project.

18:06:53

24 As Anna said, I'm David Block, I'm the project
25 manager for this project for The Community Builders. And

1 we are doing this project in partnership with two other
2 firms. We are a housing developer, residential
3 developer. We're working with two retail developers
4 called Skilken and Troy Enterprises. And so my partners
18:07:11 5 are not here with me tonight, but they also say hello.
6 And we're all very excited about moving forward with this
7 project, it's been a long time coming.

8 Some of you who live in the community who read
9 Lakefront Outlook, who read the Hyde Park Herald and
18:07:30 10 others, have probably been hearing about this project for
11 almost six years. So we are -- we can't quite see the
12 finish line, but we know it's right up there ahead of us.
13 And so we're very excited about that. Particularly
14 excited about CHA's support and about the inclusion of
18:07:46 15 public housing units in this development. We think it
16 actually strengthens the project and sort of leads to a
17 very nice vision of the community.

18 Let me walk you through the development a little
19 bit and give you a sense of what we are proposing to do.

18:08:04 20 So this is a view of the building. And this
21 is -- the name of this project is The Shops and Lofts at
22 47th. So as the name implies, this is at the corner of
23 47th and Cottage Grove. So if you know that location,
24 the Shore Bank, which apparently is not going to be a
18:08:22 25 Shore Bank anymore, and the McDonald's -- it is right

1 across 47th street from McDonald's.

2 So where the other Kappy Liquor store used to
3 be, the City of Chicago for this project bought that site
4 and a lot of the land around there. So if you drive by
18:08:39 5 there now, the liquor store was closed because the city
6 owns that land. And so the city will be working with us
7 to convey that land to us and develop that project.

8 So the liquor store will be coming down probably
9 sometime in the spring. And there will be vacant land
18:08:55 10 there until we're ready to start.

11 So this is a view looking from the door of the
12 Fourth Ward alderman's office, essentially, across the
13 street to -- to the front of the project. And as you can
14 see, it's a mixed-use development. So there is retail on
18:09:11 15 the first floor, and then, if you notice, this little
16 slot of shadow up here, that is the parking garage for
17 the residential units.

18 So there's retail on the first floor, there's
19 parking for the 72 residential units above, and then
18:09:27 20 there are three floors of residential. So 72 apartments
21 above here. This is rental housing, this is not for-sale
22 housing.

23 That's another view of the project looking a
24 little bit more west on 47th Street. Again, the Shore
18:09:45 25 Bank building. There's the McDonald's.

1 And here's a view looking south down Cottage
2 Grove. As you can see, we've tried to use a fairly rich
3 pallet of materials. So it will be something called cast
4 stone on the first floor. It will have a texture, very
18:10:06 5 solid. We're going to use some banding and some
6 variation in materials to make it feel like a -- sort of
7 an old-fashioned building.

8 And as we said, a little slot of light in here,
9 a lot of brick, and metal panel to give it a more modern
18:10:20 10 flavor kind of in the upper levels.

11 And finally, here is a very close-up view. This
12 is standing right in the middle of the intersection,
13 looking up at the corner of the building.

14 So I'll leave these -- whoops, knew that was
18:10:36 15 going to happen.

16 Just a second.

17 The program that we've proposed for this
18 building is a mixed-use, mixed-income development. And
19 so the mixed-income component of that reflects a
18:11:05 20 combination of Chicago Housing Authority units, public
21 housing units, affordable units, which many of you know
22 as low income tax credit units, and market rate, so units
23 where the rent is what the market in the neighborhood
24 will support.

18:11:21 25 So as you know, in the public housing unit you

1 pay typically 30 percent of your income, whatever that
2 is.

3 In the low income tax credit units, you pay a
4 fixed rent, but it is designed to be affordable if you're
18:11:40 5 income is below an a certain level. And I'll talk about
6 those levels in a second.

7 And the market rate units, there's a -- there's
8 really no consideration for income; the rent is, again,
9 what the rent is in the neighborhood.

18:11:51 10 And so right now the projected rents that we're
11 showing here, in the affordable units, the rent for
12 one-bedroom apartment will be about \$650 a month; the
13 rent for a two-bedroom apartment will be about \$707 a
14 month; and the rent for a three-bedroom apartment will be
18:12:11 15 about \$880 a month.

16 And in the market rate units it will be
17 somewhere between 4 and \$500 more than that,
18 approximately.

19 In the Chicago Housing Authority units, there is
18:12:25 20 income limit. And that goes up to 60 percent of very
21 median income. And just to give you a sense of what that
22 means, across all unit sides, one bedrooms and two
23 bedrooms, that limit is about \$46,000 a year. 46,890.
24 It changes every year. Because we have to use the census
18:12:47 25 information to do that.

1 Some of you may know that The Community Builders
2 is the developer of Oakwood Shores. And so to give you a
3 sense of the population of Oakwood Shores, which we
4 expect is going to be similar in income to the population
18:13:00 5 of this building, the average rent -- or the average
6 family income, I should say, at Oakwood Shores is about
7 \$19,600 in the public housing units. Okay?

8 So that's across all sizes of units, one
9 bedrooms, two bedrooms, three bedrooms.

18:13:16 10 For all of the units at Oakwood Shores,
11 including the market rate units and including the
12 affordable units, the average rent -- the average family
13 income, rather, is about \$35,000.

14 Let me walk you through how the building sits on
18:13:38 15 the ground and where you get into the building and so
16 forth.

17 So this is a plan of the site. And I'm sorry
18 you probably can't see that real clearly back there, but
19 I'll certainly leave these up here, and you can come take
18:13:49 20 a look at it afterwards.

21 This is a site plan. And so this is Cottage
22 Grove right here. This is 47th Street right here. And
23 so the building occupies the entire street front on 47th
24 Street between Evans and Cottage Grove. And it occupies
18:14:06 25 about half the block along Cottage Grove between 47th and

1 48th.

18:14:27

2 There's a grocery store on about half of the
3 retail on the 47th Street side. And we have been in
4 conversations with Aldi as a grocery retailer. That is
5 not final yet. So it's possible that there may still be
6 another company that goes in. But we're really looking
7 at a grocery store as our retail tenant there.

18:14:42

8 And then there will be a number of other retail
9 businesses in here. And we're thinking of sort of
10 neighborhood service retail. So dry cleaners,
11 potentially a bank branch. Maybe a pizza place or
12 another small kind of food-oriented restaurant.

13 And so, you know, we're hoping to really capture
14 what this neighborhood needs more of in here.

18:15:01

15 And so the way the parking works for the retail,
16 you can get into the site off of Cottage Grove pretty
17 much in the middle of the block, and it's immediately
18 across -- you know 47th Place, this is 47th Place right
19 here. So it's across the street from that. You come

18:15:18

20 into the site, and then if you're parking in the store,
21 you want to go to the store, you can park in the parking
22 lot back here. You can also park on the street.

18:15:34

23 If you want to go up to the apartment parking,
24 if you live in this building, you come in to the Cottage
25 Grove side, and then there's a ramp that takes you up

1 into the garage. And there's probably going to be a
2 gate, there may be a garage door that takes you up there.
3 But it's one parking space per unit. And it's covered
4 because it's in building. So that's nice on kind of like
18:15:51 5 the weather we had over the last couple weeks, it will be
6 nice to be in a covered parking space there.

7 You can also get into the site off of Evans.
8 And sort of the parking lot is on either side of the
9 alley in the middle of the block.

18:16:03 10 There's an entrance to the supermarket from the
11 parking area, and there's another entrance to the
12 supermarket if you're taking the bus off of 47th Street.
13 So supermarket has two sides.

14 There's a passageway that connects the parking
18:16:18 15 area to Cottage Grove. So to get to these stores up
16 here, you need to come from the parking area, walk
17 through the passageway, and go to the stores in the
18 front.

19 This is envisioned as Phase I of a multi-phase
18:16:32 20 project. And so we are actually looking at another
21 building in the future -- not right now -- that's very
22 similar to this. That will be along the second half of
23 the site along Cottage Grove.

24 And then further out into the future, when we
18:16:47 25 all hope that the for-sale condominium market, townhouse

1 market recovers, we're looking at filling in the rest of
2 the block along Evans. And so this is probably still
3 about five years away.

18:17:08

4 This may be a little bit easier to see in the
5 back. You can just see sort of where the parking areas
6 are for the retail. This is a view from a helicopter of
7 the site. We're doing green roofs here. So you see
8 where the green parts of the roofs are and then sort of
9 what we're doing with the site landscaping in the middle.

18:17:23

10 And I know you can't see this, but this -- when
11 you come up and take a look at it, you can see how the
12 apartments lay out. I mean, they are -- they're nice
13 apartments. They're not huge apartments, but they're
14 very comfortable. We have a range of units.

18:17:45

15 And I think I've -- should have pointed that out
16 in the first slide here. We have a total of 27
17 one-bedroom units, 39 two-bedroom units, 6 three-bedroom
18 units.

18:18:05

19 Because of the policies around public housing
20 units and elevator buildings, none of the three-bedroom
21 units will be public housing units. So the only public
22 housing units in this building will be one and
23 two-bedroom units. And there will be 9 one-bedroom
24 public housing units and 15 two-bedroom public housing
25 units.

18:18:20

1 So the proportion -- you may have heard in
2 previous presentations about some of the Plans for
3 Transformation that it's about a third, a third, a third
4 is the mix of public housing, affordable housing, and
18:18:35 5 market rate units. The mix is close to a third, a third,
6 a third here, but it's a little bit varied.

7 And so it is approximately a third public
8 housing, it's 33 percent. So it's 24 out of 72 units
9 public housing. It's actually more affordable units --
18:18:53 10 it's 42 percent affordable or low income tax credit
11 units. And then the proportion of market rate units is
12 25 percent. So we tweaked that a little bit because it's
13 an extensive building. So we needed to do that for
14 financial reasons.

18:19:08 15 Let me just point out some of the residential
16 amenities of the building.

17 There will be -- this is an elevator building.
18 And so you will come in to the residential lobby, which
19 you can get to from the back, but the main residential
18:19:29 20 entrance will be on Cottage Grove. You come in here,
21 there will be a property management office. So there
22 will be eyes on the street, somebody keeping an eye on
23 the elevator lobby during business hours. And then
24 you'll need a key to use the elevators at all times. So
18:19:46 25 somebody who doesn't live here is not going to be able to

1 activate the elevator to go upstairs.

2 And then they are corridors. So the elevators
3 are located right at the -- the elbow of the building.
4 So everybody is more or less, you know, the same sort of
18:20:04 5 distance from the elevator. Some -- obviously you got to
6 go down to the far end, it's a longer walk than this end.
7 But that's just the way the building lays out.

8 There will be recycling and trash chutes in the
9 building. So you don't need to drag your trash outside.
18:20:21 10 You just bring it down to near the elevator lobby and put
11 it in the chute, and it will go down to a central trash
12 area for collection on trash day.

13 So if you're interested, you can see how the
14 parking area lays out. This just shows the plan of the
18:20:38 15 second floor parking spaces.

16 There's a detailed blowup of the first floor
17 including the management office here as well. Again, if
18 you're curious about it, you can come up afterwards, take
19 a look.

18:20:50 20 And then these are just elevations of the
21 building. So where these 3-D renderings are
22 photo-realistic, what it might actually look like, this
23 is taking the real world and sort of flattening it out on
24 a flat sheet.

18:21:03 25 So this is an artificial view, but it's a view

1 that the architects use to describe the building more
2 completely.

3 So let me just very quickly give you a sense of
4 the schedule that we're looking at now. As I mentioned,
18:21:19 5 this project has been under development for probably
6 about five years. And we, The Community Builders, got
7 involved only really within the last two years. It was
8 originally designed as a condominium project, and then
9 the condo market died.

18:21:36 10 So Alderman Preckwinkle asked us to begin a
11 conversation with Skilken and Troy Enterprises to see if
12 we can kind of come to an arrangement that could help the
13 project move forward as a rental project instead of as a
14 condo deal.

18:21:53 15 And we have. And so we have -- we had a good
16 connection with these partners. So now we've cleared a
17 number of hurdles. The project has been approved by the
18 Chicago Community Development Commission. We are looking
19 to go to City Council probably in March. We are looking
18:22:12 20 to go to the board, the Chicago Housing Authority, also
21 probably in March. And right now we are hoping to break
22 ground and begin construction probably early summer, so
23 June/July. That sort of thing.

24 It will be about 15 months of construction. So
18:22:32 25 by the end of summer, early fall of 2012 we will begin

1 leasing up the units and have units available.

2 So I think that's all I have to present.

3 Oh, and then the documents.

18:22:52

4 I don't know if any of you have looked at the
5 documents yet.

18:23:10

6 Because TCB, The Community Builders, was the
7 developer of Oakwood Shores, we have based all of the
8 documents for this project on what we have used in the
9 past with Oakwood Shores. So the Tenant Selection Plan,
10 the lease document, the rules and regulations, the pet
11 policy, the lease riders, those are all the same
12 documents that we used with Oakwood Shores, with only a
13 few very minor changes.

18:23:25

14 For example, at Oakwood Shores we don't have
15 structured parking. We have one building that has
16 parking in it. But pretty much it's, you know, first
17 come, first serve parking and some parking lots along the
18 street.

18:23:36

19 In this building that's not going to work
20 because we have 72 parking spaces and 72 apartments. So
21 if somebody parks in my parking spot, I'm going to be
22 upset. So we have some rules that say, okay, you get a
23 parking number in the garage, and that's where you park.

18:23:53

24 And if you park in somebody else's parking spot,
25 we're going to tow you. And if a visitor -- if you give

1 your visitor a key to the -- to the gate and let them
2 park there, and they have a license plate that's not
3 registered with the management agent, we're going to tow
4 them.

18:24:06

5 So things like that to sort of help make
6 everybody's lives a little bit easier and avoid conflicts
7 in the parking area. Those are some of the changes that
8 we made to our rules and regulations.

18:24:22

9 And I think with that we can open it up for
10 questions.

18:24:41

11 ANNA LEE: So before we open up for comments, I want
12 to remind everybody that in addition to voicing your
13 comment here tonight, written comments are also being
14 accepted through January 19th. Also, if you don't want
15 to speak tonight, you can also submit a written comment
16 today. And the written comment cards are at the front --
17 at the desk there. And Bridget can hand one to you.

18:25:04

18 If you -- if you -- let me -- if you want to
19 submit a written card, you will not be called to speak.

20 Also, if you want to write your comments and
21 mail them to us, you can do that. Our mailing address is
22 60 East Van Buren, 10th floor, Chicago, Illinois, 60605.
23 And you can just put: Attention Shops and Lofts at 47th.

18:25:25

24 You can also e-mail your comments to us. We
25 have an e-mail address, and it's:

1 Commentontheplan@theCHA.org. So if anyone is interested,
2 come to me and I will give you the address.

3 So while the floor is open for comments, one
4 name will be called at a time. When your name is called,
18:25:41 5 the microphone will be handed to you. Please be prepared
6 to comment on only these documents that we have presented
7 for tonight.

8 Each person will have two minutes to make their
9 comments. Staff will keep time and let you know when
18:25:57 10 there's 30 seconds remaining. And we will ring a bell if
11 we have to. And -- when your two minutes are over. Once
12 your two minutes have expired, you will pass the
13 microphone to the next person waiting to make a comment.

14 Speakers may yield their time to another
18:26:15 15 speaker. However, each speaker may only be yielded
16 additional time once. So for a total of four minutes.

17 If you have a specific question, you can talk to
18 CHA staff or to myself about the development here tonight
19 after a comment -- or the hearing is over.

18:26:31 20 So just a few things I want to remind you. When
21 you're making your comment, please speak slowly into the
22 microphone, and state your name before you make your
23 comment so that the court reporter can record your name.

24 So with that I will now open the floor for
18:26:47 25 comments on the draft revisions to the ACOP and TSP and

1 the agreement for this development.

2 And if there are no comments tonight, I will
3 thank you all for coming; and let you all know that it's
4 not too late, you can also make your comments or, you
5 know, present your questions into the various venues that
6 I mentioned.

7 So thank you.

8 DAVID BLOCK: Please feel free to come up and look
9 at the drawings.

10 WHICH WERE ALL THE PROCEEDINGS
11 HAD AT THE PUBLIC HEARING ON THIS DATE.

12 (WHEREUPON, the hearing was
13 adjourned at 6:27 p.m. this date,
14 January 6, 2011.)

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1 STATE OF ILLINOIS)
) SS:
2 COUNTY OF DU PAGE)

3 I, CATHERINE A. RAJCAN, a Certified Shorthand
4 Reporter of the State of Illinois, do hereby certify that
5 I reported stenographically by means of machine shorthand
6 the proceedings had at the public hearing aforesaid,
7 thereafter reduced to typewriting via computer-aided
8 transcription under my personal direction, and that the
9 foregoing is a true, complete and correct transcript of
10 the proceedings of said public hearing as appears from my
11 stenographic notes so taken and transcribed under my
12 personal direction.

13 I further certify that my certificate attached
14 hereto applies to the original transcript and copies
15 thereof, signed and certified under my hand only. I
16 assume no responsibility for the accuracy of any
17 reproduced copies not made under my control or direction.

18 IN WITNESS WHEREOF, I do hereunto set my hand at
19 Wheaton, Illinois, this 18th day of January, 2011.

20
21 _____
22 Certified Shorthand Reporter

23 C.S.R. Certificate No. 084-002503.
24
25