



## JAMES CAPPLEMAN ALDERMAN, 46TH WARD

### COMMITTEE MEMBERSHIPS

BUDGET AND GOVERNMENT OPERATIONS

COMMITTEES AND RULES

EDUCATION AND CHILD DEVELOPMENT

ETHICS AND GOVERNMENT OVERSIGHT

ENVIRONMENTAL PROTECTION AND ENERGY

HOUSING AND REAL ESTATE

HUMAN RELATIONS AND HEALTH

LICENSE AND CONSUMER PROTECTION

ZONING, LANDMARKS, AND BUILDING STANDARDS

June 30, 2021

Dear Lakeside Area Neighbors Association,

I want to thank you for the input that many of you provided regarding the 4600 N. Marine Drive proposal from Lincoln Properties. Your concerns about the future of Weiss Hospital and the concerns about gentrification are the same concerns that many others and I also share. In the past, I have always supported the majority vote of the 46th Ward Zoning and Development Committee, and under that circumstance, there would be no question of my support for this project after Northalsted informed me that their representative did not vote as he was instructed. Admittedly, this has never happened before, but there's always a first and that first happened for this project.

Still, this was a very close vote and it deserved more serious consideration before I made a decision. The following outlines the priorities that influenced my final decision:

### **Possible closure of Weiss Hospital**

Weiss Hospital has changed ownership three times since I was elected in 2011. Each time, I've expressed concerns about the sale. I did the same when Pipeline acquired Weiss Hospital in a purchase that also included West Suburban Medical Center and Westlake Hospital. At the time of the purchase of these hospitals, Pipeline made a promise that all of them would remain open. That's why it was quite concerning when Pipeline broke their promise and soon afterwards closed Westlake. This action seriously damaged their credibility, and I've made that clear to them. Pipeline officials and the CEO of Weiss Hospital agreed that there was a breach of trust and spoke of all the money and work they're currently spending on upgrades to Weiss Hospital to enhance patient care. We were informed by the CEO of Weiss Hospital, Irene Dumanis, during the 46th Ward Zoning and Development Committee meeting that the entire proceeds from the sale of their parking lot will go toward program improvements at the hospital. I took a tour today of Weiss with a number of other elected officials and it's clear that substantial investment is currently in process.

In the meantime, Weiss Memorial Hospital is situated on a planned development site and any change in use for the hospital would have to have the support of me, the Plan Commission, the City's Zoning, Landmarks, and Building Standards, and City Council. Had Westlake had these same safeguards in place, Pipeline would not have been able to close it.

### **Gentrification**

One of the strengths of the 46th Ward is the large number of government and nonprofit affordable housing units. Uptown, in particular, has more of these units than any other community area on the north side. We've shown other wards that affordable housing is an asset in making a strong community. Much of our affordable housing also includes our naturally occurring affordable housing that is privately owned. However, the problem we are facing now is that if we don't provide more apartments to meet the demand for upgraded units in the ward, developers will go after our naturally occurring affordable housing (as they have already done, building as of right) and I want to avoid that. A number of valid and reliable research articles have shown that building more apartments, including luxury units, will help stabilize or lower area rents.

**Meeting the Affordable Requirements Ordinance (ARO)**

This proposal is meeting the affordable requirement according to the ARO. A number of people have asked that the developer go beyond what's spelled out in the ARO. While I appreciate their push for more affordable housing, both the City's Law Department and the Dept. of Housing have directed City Council members to stay within the confines of the ordinance rather than make up their own set of rules. I will abide by the City's Law Department's directives.

**The Developer's In-Lieu contribution to Sarah's Circle**

Sarah's Circle has plans to build a 100% affordable building for women on the 4700 block of N. Sheridan, located a few blocks away. This organization provides housing for women who are either experiencing homelessness or who are at high risk for it. When Sarah's Circle applied for their loan with the Illinois Housing Development Authority, it was granted on the condition that the City of Chicago contribute the remaining \$3.1M to make their project's financing work. There were 3 options for the City to help finance Sarah's Circle's project: through a TIF; through the Affordable Housing Opportunity Fund (AHOF) or through an in-lieu contribution from this proposed development. In the case of the TIF, it would lessen an opportunity to help out the Bezazian Library. In the case of AHOF, it would mean that another very low income project in our ward would not have those funds available. The City's Dept. of Housing provided a letter stating a number of factors as to why the preferred option for funding Sarah's Circle's new project would be the in-lieu contribution from this development. While I appreciate efforts to get as much affordable housing within the proposed development itself, my job as alderperson is to look at the big picture of affordable housing in our ward, especially housing for those who are living on the streets or who are at high risk for experiencing homelessness. Unfortunately, we do not have enough housing in our ward for those who are most vulnerable. For that reason, I agree with the Dept. of Housing that this in-lieu approach would help address our extreme housing shortage for those at greatest risk for experiencing homelessness.

For the reasons above, I'm choosing to support the 4600 N. Marine Drive proposal from Lincoln Properties. There were many great counterpoints that were raised, but in the end, the positive aspects to this proposal outweighed the negative repercussions. Again, thank you for your feedback on this matter.

Sincerely,



Ald. James Cappelman, 46th Ward