

Albion Residential: The Future of Sherman Ave.

A Citizen's Analysis



**Evanstonians for Responsible
Planning**

Does former ZBA Chairman Weinberger feel better about the plan now?

“The revised Albion proposal does not change the fundamental issue that the proposed building is too massive for the block it being proposed for. It is still triple in height of what is contemplated in the Downtown Plan, it is still 35 feet too close to the street on the southern end of the building.

By making just enough changes to eliminate a super majority vote, Albion continues to demonstrate its reluctance to do anything except the absolute minimum required to get approval, with no true regard for public interest.”

A Closer Look at “Public Benefits”

- **Many of the proposed conditions are not clear “Public Benefits” under Evanston law**
- **One-time payments don’t provide lasting benefit**
- **The costs of the project far outweigh what remains of the benefits**

Grading the Proposal Against Evanston Law

Benefit (per § 6-3-6-3 of the Evanston City Code)	Rating
Preservation of open space	●
Preservation of vegetation, topographic and geologic features	●
Preservation of historic and natural resources	●
Use of design, landscape, etc. to create a pleasing environment	●
Provision of a variety of housing types	●
Elimination of blighted structures/incompatible uses	●
Business/commercial/manufacturing development to enhance economy and strengthen tax base	●
Efficient use of land	●
Sustainable design/building materials (ex. LEED Silver or higher)	●

● = no benefit	● = some benefit	● = strong benefit
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One-Time Payments: No Lasting Benefit

- One-time payment for park capital improvements (payment is a tiny 0.7% of annual parks capital budget)
- One-time payment for new public art (which will require maintenance)
- One-time payment for Divvy station

To summarize: the various costs of the project far outweigh its minimal “public benefits”

- The table below compares three scenarios contemplated for this project 1) fee-in-lieu plus two affordable units on site, 2) the alternative proposal of fifteen affordable units on site, and 3) 29 affordable units on site at the project. The alternative proposal with 15 affordable units on site will require the developer to reduce total development costs to maintain an acceptable Yield on Cost. The land cost is fixed based on purchase agreements and includes remediation of contaminants from a prior use. The table compares the Stabilized Yield on Cost (Stabilized Yield) and Project Level Internal Rate of Return (IRR).

	Cost	IRR
Fee-in-lieu + 2 affordable units on site	6.0%	19.3%
Fifteen affordable units on site	5.8%	17.8%
Twenty nine affordable units on site	5.4%	13.1%

- Fee-in-lieu
Twenty nine affordable units on site
- As the table shows, the requirement of a 6% Yield on Cost and 17% IRR or better, makes the most financially comfortable scenario the first that pays the fee-in-lieu and two on-site units, while providing the 29 units on-site is financially infeasible. (Oct 9th-pg.412)

Fails Planned Development Standard; Should Not Pass

The proposed development must satisfy the following standards:

Section 6-11-1-10

“It shall be required to adhere to standards in the zoning district where it is located. Compliance with [this] GOVERNS THE ACTION OF CITY COUNCIL to ensure that the Planned Development IS IN HARMONY WITH THE GENERAL PURPOSES AND INTENT OF ZONING ORDINANCE. ...NOR SHALL THE CITY COUNCIL APPROVE ... UNLESS...IT SATISFIES THE SPECIFIC STANDARDS...IN THE ZONING DISTRICT [WHERE IT] IS LOCATED.

Costs to the Public

STILL REQUIRES FOUR ALLOWANCES in “D4 Transition District:”

(1) Number of units: 273 vs 93

(2) Floor Area Ratio (FAR): 5.99 FAR vs 5.4 max. 6.0 w/ development allowances

(3) Height: 145 feet vs 105 allowed.

(4) Ziggurat Setback: 5 ft vs 40 ft setback (required on only 4 streets in Evanston!)

Loss of one of only three “traditional zones” promised in 2009 plan!

PLEASANT TRADITIONAL BLOCK OBLITERATED

URBAN “CORE DEVELOPMENT” EXTENDS TO LAKE ST.

AN ORDINANCE Granting a Special Use Permit for a Planned Development Located at 1450-1508 Sherman Avenue in the D4 Downtown Transition District (“Albion”)

floor commercial space, with two hundred (200) parking spaces; and

WHEREAS, construction of the Planned Development, as presented in the submitted revised plans dated October 19, 2017, requires exception from the strict application of the Zoning Ordinance with regards to number of dwelling units per lot size, floor area ratio (FAR), building height, and ziggurat setbacks; and

Albion Affordable Housing
Doesn't Respect our Ordinances,
Our Plan Commission, Our Needs

Plan Commission Approved 50/60 AMI

MEMO, PLAN COMMISSION 9/13/2017:

“The Commission recommended approval of the planned development with conditions as recommended by staff and the additional conditions below:

*That Albion provide an alternative equivalent proposal for complying with the Inclusionary Housing Ordinance, which proposal shall provide a minimum of 15 units, 1- and 2-bedroom units, **affordable by households at 50-60% of AMI**, and which shall be consistent with the Inclusionary Housing Ordinance.*

**Inclusionary
Housing
Ordinance:**

**Fee in lieu payment
in to the AH fund

10% units @50-60%
AMI for a Transit-
Oriented
Development.**

Joining Forces:

**Require at least 15
affordable units
AND any payment
into the AH fund

50% and 60% AMI**

Plan Commission:

**Approval “WITH
CONDITION upon a
minimum of 15 on-
site units affordable
AT 50% to 60% AMI”**

Albion Proposal:

**Payment; OR
“An alternative
equivalent proposal”.
15 units AH at
60-80% AMI.
8 units at 80% AMI.
*(Do they still have Plan
Commission approval?)***

- ✓ FAILS IHO
- ✓ FAILS PLAN
COMMISSION
- ✓ FAILS ADVOCACY

Will Albion help the target group ID'd by the City, Advocacy Groups?

Albion:

- ***“...Our affordable mix of 60% to 80% lends itself more to rent controlled “affordable-workforce housing not as much to subsidized/government housing...”***

The Albion development will have a net negative effect on rental housing affordability and diversity in Evanston EVEN IF it fully complied with the IHO 10% units at 50-60% of AMI.

- The luxury rate rents in the Albion development will contribute to further increase of average rents for families
- Families will NOT benefit from an eventual price drop from overbuilding studio units as some on the Council have claimed. Families do not live in studio and 1 bedroom apartments.
- Area African American median income is..\$44,000. Albion development targets single people with incomes of 42k (60%) to 56k (80% of AMI).
- **Hypothetically, Albion's affordable housing housing could open the door to 7-9 African Americans, according to statistics.**

Does offering “best-in-class amenity” micro units make sense for Affordable Housing?

- *Are \$330,000 micro, mostly 1-person units with dog runs and Zen gardens an efficient way to meet affordable housing needs?*
- *Will it help struggling residents, families stay in Evanston?*
- *If you look at statistics, only 7-9 African Americans might access the affordable housing here!*

We are giving up our zoning, our character, our “traditional” Evanston...for THIS?

Albion and Diversity Don't Mix

Evanston is already an expensive place to live

	Evanston	Chicago
Overall Cost of Living Index*	129	112
Housing Index*	176	121
Median House Price	\$348,600	\$222,900
Appreciation last 5 years	7.2%	5.8%
Two-bedroom rental	\$1,270	\$1,143
*US = 100		
Source: Areavibes.com; US Bureau of the Census		

Why Should We Care?

Incomes Have Not Kept Up with Major Costs

	Evanston
Total Personal Income Growth, 2006-2015	7.6%
Rent Growth, 2006-2015	30.5%
Source: US Bureau of the Census	

African-American Incomes are not Keeping Up

	Evanston
Total Population	
Median Household Income, 2016	\$66,165
Median Household Income Growth, 2009-2015	0.7%
African-American Population	
Median Household Income, 2016	\$45,665
Median Household Income Growth, 2009-2015	-11.0%
Source: US Bureau of the Census	

Evanston has been losing Affordable Housing

Number of affordable housing units lost between 2000 and 2011	3,296
Decline, 2000-2011	-43%
Number of apartments renting for less than \$1,000 lost between 2000 and 2011	6,160
Decline, 2000-2011	-57%
Source: Illinois Housing Development Authority	

Is Albion the Answer?

Albion Will Only Provide Expensive Housing

	Regular Units	Affordable Housing Units
Studio apartments	147	8
One-bedroom apartments	81	4
Two-bedroom apartments	45	3
Proposed rent, studio apartment, non-subsidized units	\$1,500	
Median Income for an affordable studio unit (60% and 80% of 2016 Area Median Income)	\$39,699 and \$52,932	
Rent, affordable studio unit (60% and 80% of 2016 Area Median Income)	\$1,102 and \$1,469	
Source: City of Evanston; US Census Bureau		

Albion Will Not Provide Affordable Housing

Median Earnings for an African-American Individual, 2016	\$34,589
Affordable Rent for an African-American Individual	\$961
Source: City of Evanston; US Bureau of the Census	

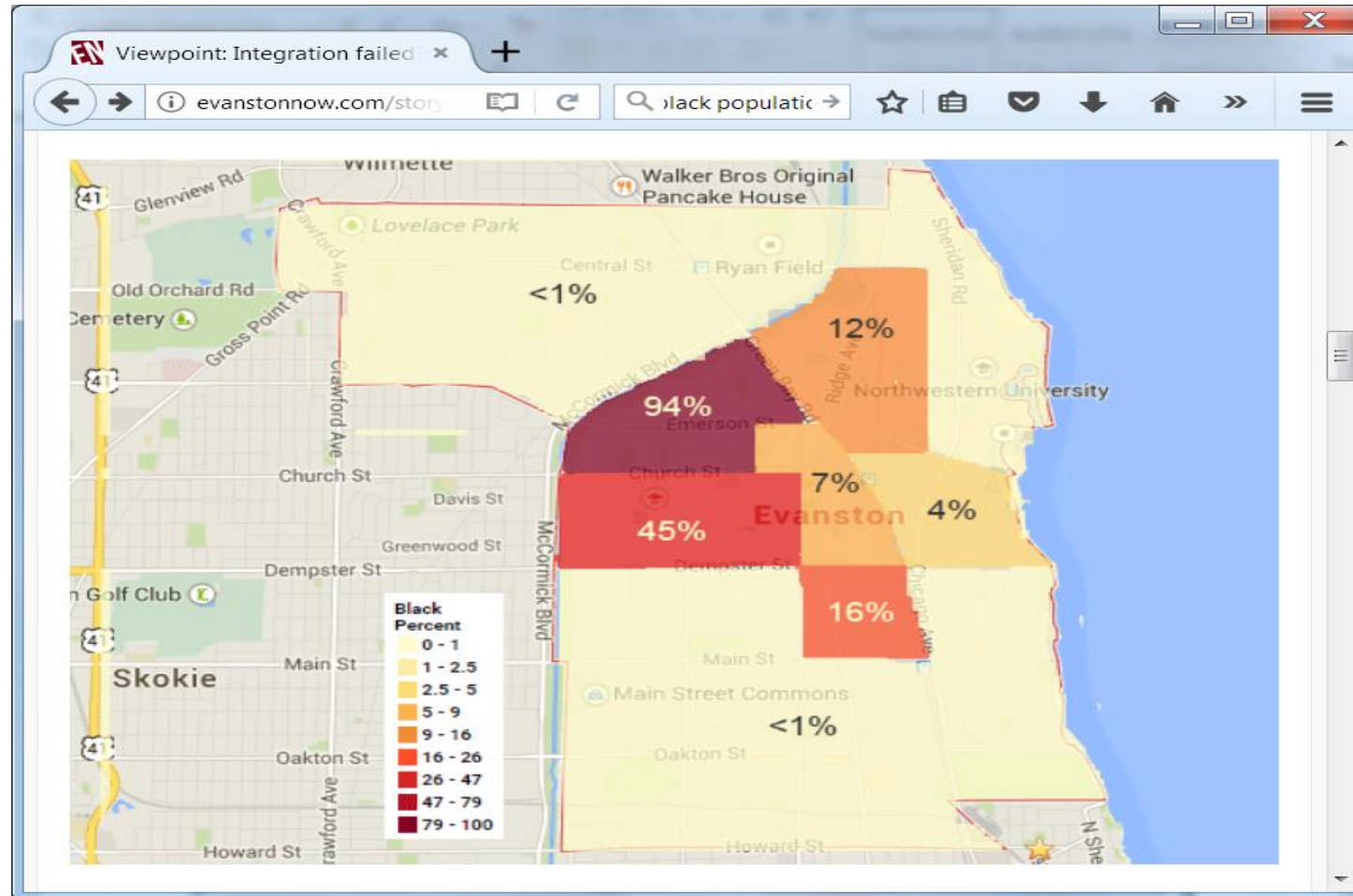
Albion Will Not Help Diversity

- The building will not address the affordable housing issue in Evanston
- Expensive, micro-scale apartments do not meet the needs of working class African-American families. Likely tenants will be
 - Northwestern University students
 - Affluent
 - Not from Evanston
 - Short-term residents
- The building will only generate 5 construction jobs in the African-American community
- The building will continue the established trend in Evanston toward high-end apartments and condominiums, increasing rents and house prices in Evanston as a whole, pricing African-Americans out of the housing market

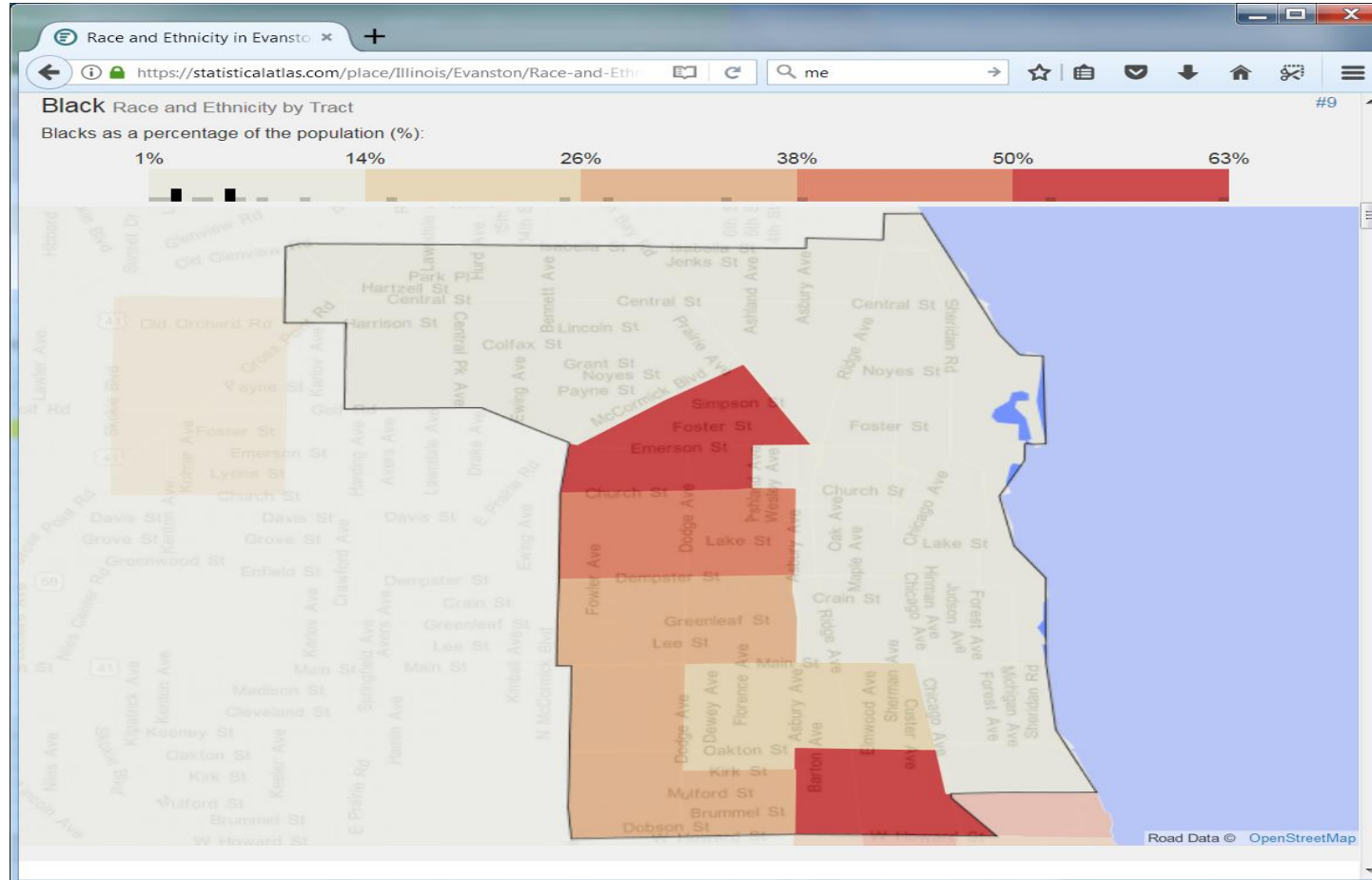
What will be the result?

We can see it happening already.....

Evanston African-Americans in 1960



Evanston African-Americans in 2010



The Long-established African-American Population in Evanston is Declining

	1930	1960	1990	2000	2010	2015
White	58,338	69,739	51,752	48,429	45,868	45,541
Percent	92.1	88.0	70.7	65.2	62.1	60.2
African-American	4,938	9,126	16,604	16,704	13,585	12,577
Percent	7.8	11.5	22.7	22.5	18.4	16.6
Total	63,338	79,238	73,233	74,239	73,880	75,603
Source: US Bureau of the Census						

We Urge You **Not** to Give Albion the Go-Ahead!

- Diversity has been central to community life in Evanston for a century
- Having enough dispersed, affordable housing is the key to maintaining diversity in the community
- 3,296 affordable housing units were lost between 2000 and 2011 (IHDA)
- Building high-end micro apartments only increases rents and house prices in Evanston as a whole, and does not provide affordable housing for working class African-American families
- Albion will only hasten the exit of more African-Americans from the community, as they are priced-out of the housing market

Small business owners speak

