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**MAYOR EMANUEL INTRODUCES TWO ORDINANCES
DESIGNED TO PRESERVE, ENHANCE PILSEN AND LITTLE VILLAGE TO CITY COUNCIL**

As part of a new strategy to preserve the culture, character and affordability of the Midwest's largest Mexican community, Mayor Rahm Emanuel and Aldermen Daniel Solis, Ricardo Muñoz and George Cardenas introduced to City Council an Affordable Requirement Ordinance (ARO) Pilot to increase the City of Chicago's required affordability component for large residential projects within a 7.2 square mile area in Pilsen and Little Village. Mayor Emanuel also introduced an ordinance that would enable the city to acquire four miles of an underutilized BNSF railroad corridor for the planned route of the Paseo promenade through portions of Pilsen and Little Village.

"Chicago's diverse neighborhoods are the backbone of our great city, collectively highlighting our rich culture, renowned restaurants and amazing residents," said Mayor Emanuel. "This new strategy will help preserve these important elements of Pilsen and Little Village while keeping it affordable for residents and promoting economic opportunities for future growth."

The ARO pilot introduced today would increase the City of Chicago's required affordability component for large residential projects within a 7.2-square mile area in Pilsen and Little Village. The affordability requirement will increase from 10 to 20 percent of total units, with new provisions to increase the number of family-sized units in each project. Developer in-lieu fees will increase by \$50,000 per unit, to approximately \$180,000 in Pilsen and \$102,000 in Little Village. At least half of the required affordable units, or 10 percent of the total unit count, would have to be built on site. The pilot area in Pilsen would generally be bounded by 16th Street, Peoria Street, the Sanitary and Ship Canal and Western Avenue. The pilot area in Little Village would generally be bounded by the Metra (BNSF) tracks, Western Avenue, the Stevenson Expressway and the Chicago city limits. The effective date would be Jan. 1, 2019 and the pilot would last for five years.

"These strategies directly address the concerns of residents and businesses that want to preserve two of the most unique and culturally significant neighborhoods in Chicago," Alderman Solis said.

Pilsen and Little Village evolved as the center for Mexican life in the Chicago area over the last 50 years, following previous waves of immigrants that included Czechs and Bohemians beginning in

the late 19th century. More than 80 percent of their 115,000 residents identify as Latino, compared to 29 percent citywide, according to the American Community Survey.

"I am pleased with the plan the City of Chicago has put forward to protect the character of our neighborhoods. These neighborhoods are what they are today because of the hard work and dedication of its residents and we must work to keep these communities affordable for its families," said Alderman Muñoz.

More recently, Pilsen, and to a lesser degree Little Village, have been subject to gentrification pressures from upwardly mobile, non-Latino residents attracted to the area's culture and urban authenticity, as well as from business investors catering to visitors and tourists.

"While the City needs new development to fuel its economic future, that growth needs to be balanced and work for local residents," said Alderman Cardenas. "This pilot strikes that balance and I believe it will become a model for other neighborhoods and cities across the country."

A separate ordinance introduced today would enable the city to acquire four miles of an underutilized BNSF railroad corridor for the planned route of the Paseo promenade through portions of Pilsen and Little Village. Encompassing more than two dozen parcels of railroad-owned properties, the planned route stretches from approximately 16th Street in Pilsen to 31st Street in Little Village. The Paseo is moving forward through a community-based planning process to connect new and existing parks with community-based designs that embrace local culture through art and recreational programming.

"Along with area aldermen and Mayor Emanuel, the City is committed to working with the Pilsen and Little Village communities to leverage these resources on behalf of local families, workers and business owners," said Commissioner David Reifman, Department of Planning and Development.

Additional strategies to be implemented in coming weeks include:

Affordable Housing Resources on Behalf of Existing Residents: In conjunction with the ARO pilot, the City is investing resources from the Affordable Housing Opportunity Fund, which receives the fees paid by developers under the ARO, in Pilsen and Little Village to preserve affordable housing for existing residents. The City will make financial assistance available for developers that purchase or refinance multi-family residential buildings in the ARO pilot area in exchange for long-term affordable rental covenants. Additional resources will be made available in the ARO pilot area as forgivable loans to help income-qualified owner-occupants of one- to four-unit properties upgrade their properties and remain in their homes. The strategy will also prioritize outreach to area homeowners by the Chicago Community Land Trust, which provides reduced property taxes in exchange for long-term affordability, and to low-income tenants by the Chicago Low-Income Housing Trust Fund, which provides rental subsidies on their behalf.

Landmark District Designation: Will protect the historic character of portions of 18th Street, Blue Island Avenue, and other streets through a formal City of Chicago landmark district designation, which will require Landmarks Commission review of local building projects. The proposed district, which is characterized by Baroque-inspired mixed-use and residential buildings constructed

between 1875 and 1910, is expected to be considered for initial landmark status by the Commission on Chicago Landmarks in December.

Industrial Corridor Modernization: Will create strategies to enhance employment, transportation and other amenities within the neighborhoods' two industrial corridors to foster job-intensive uses that support families and the regional economy. The process was initiated in the Little Village Industrial Corridor in April 2018, with a framework plan for regulatory land use improvements anticipated in early 2019. The planning process for the Pilsen Industrial Corridor is expected to start in 2019.

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Several of the strategies were identified in the Pilsen and Little Village Action Plan, completed last year by the Department of Planning and Development (DPD) and the Chicago Metropolitan Agency for Planning (CMAP) through extensive community participation.

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