

THE WOODLAWN HOUSING DATA PROJECT SUMMARY REPORT

SEPTEMBER 2019



WECAN

Woodlawn East Community and Neighbors

**THE WOODLAWN HOUSING DATA PROJECT
SUMMARY REPORT, SEPTEMBER 2019**

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ABOUT WECAN

Woodlawn East Community and Neighbors (WECAN) is a non-profit organization dedicated to serving Chicago’s Woodlawn community and its residents. WECAN was founded in 1980 by Ms. Mattie Butler after arsonists set fire to several buildings in the community, killing 13 children. That tragic incident catalyzed a group of residents to step up and claim a strong role in shaping a better present and future for Woodlawn.

Since 1980, WECAN has operated a resource center for the Woodlawn community, connecting residents with housing assistance programs, serving as a liaison to elected officials and other policy makers on housing and related issues, and acting as a property owner and developer of affordable housing. WECAN has refurbished four buildings, creating 145 units for those who are experiencing or nearly experiencing homelessness. It also provides other support services, such as serving a location for the Community Economic Development Association’s (CEDA) home energy and weatherization grant program, and sponsors community-building initiatives, including afterschool programming. WECAN was also instrumental in drafting the City of Chicago’s Tenants Bill of Rights.

WHY WOODLAWN COUNTS

Dear Reader,

As the founding executive director of Woodlawn East Community and Neighbors (WECAN), I am pleased to share this important report to help inform and guide the future of a Chicago community that I and many others call home and work hard to improve every day.

For the last 40 years, WECAN has been a leading community-based advocate for Chicago's Woodlawn neighborhood and its residents. Since opening our doors in 1980, WECAN has played many roles, constantly evolving to support the community's changing needs. But our primary focus has always been on housing issues, helping to ensure that both Woodlawn homeowners and renters have the support and resources needed to remain in the community.

We love the community that we call home and we were proud to win the honor of being host to the Obama Presidential Center (OPC), recognizing the extraordinary opportunity it brings to our neighborhood.

Yet despite this promise, we want to be sure that future progress in Woodlawn does not come at the expense of current residents. In recent years, even before the OPC was announced, we were seeing signs that our community seemed to be struggling more than in the past. Homeowners and renters with deep roots in Woodlawn were having a hard time making ends meet. Increasingly, it seemed as though outsiders were buying up properties on our blocks, and we sensed that more residents might be pushed out. But we lacked the data and information to prove it.

That's why, back in 2015, WECAN approached the University of Chicago Office of Civic Engagement (OCE) to help us determine the facts. As a participant in the Community Programs Accelerator (CPA), WECAN has worked with CPA since then to identify resources and partners to help collect and analyze housing and neighborhood data about Woodlawn and provide technical expertise to assist WECAN with interpreting and documenting results and findings.

Today, I am pleased to share a summary of this work, which confirms many perceptions and identifies some unanticipated issues. The summary also shares WECAN's call for action, underscored by our goal that the transformation promised by forthcoming development benefits not only the geography of Woodlawn – but also the people who have long been proud to call it home.

Mattie Butler
Founder and Executive Director
WECAN

PROJECT HIGHLIGHTS

FIVE KEY FINDINGS

The Woodlawn Parcel Survey (WPS), an unprecedented survey of all 4,875 parcels in Woodlawn, was conducted and subsequently integrated with analysis of more than 20 publicly-available datasets. This resulted in detailed parcel-level data and maps of community conditions and five key findings:

- **High Vacancy:** An estimated 27% of properties in Woodlawn are “inactive,” including vacant buildings and vacant land. Many of these properties are owned by local government, presenting an opportunity for development without displacement.
- **At-Risk Renters:** Woodlawn is predominantly (78%) a neighborhood of renters, many of whom are low-income and rent-burdened. They face uncertainty regarding their ability to stay in Woodlawn.
- **At-Risk Homeowners:** Many longtime Woodlawn homeowners are financially vulnerable. As cost-burdened homeowners face rising property taxes and home repair costs, they are at risk of losing their homes.
- **Increasing Market Activity:** Development activity is accelerating in Woodlawn. Without intervention, this activity will continue to put more financial pressure on longtime residents – both homeowners and renters.
- **Inadequate Resources:** Over time, housing assistance programs that served Woodlawn have been reduced or eliminated, leaving inadequate resources to address the issues noted above.

SUMMARY OF WECAN'S POLICY RECOMMENDATIONS

The following recommendations are designed to protect existing Woodlawn residents and prevent their displacement in the face of forthcoming community change:

To ensure adequate housing resources are available and accessible to current Woodlawn residents:

- **Fund a centralized Housing Resource Center** in Woodlawn.
- **Establish a new 5-year \$25 million Housing Fund** to invest in the needs of current residents.
- **Conduct a Community Census** to better understand the housing and other needs of current residents.

To bring vacant land back to productive use in Woodlawn in a way that benefits current residents:

- **Implement a collaborative community process to establish a vision for utilization of vacant land.**
- **Repurpose the Woodlawn TIF**, with priority uses to include investment in affordable housing and home repairs.

To protect long-time Woodlawn homeowners at risk of displacement:

- **Establish property tax relief for income-eligible residents** who are longtime Woodlawn homeowners.
- **Provide property repairs assistance, and pro bono legal assistance and property tax assistance.**
- **Collaborate with local community land trusts** to permanently preserve Woodlawn's affordable homeownership units.

To protect long-time Woodlawn renters at risk of displacement:

- **Collaborate with the Preservation Compact** on a focused Woodlawn strategy to preserve rental units.
- **Ask the City of Chicago to monitor housing conversion activity** and protect residents from displacement.

OVERVIEW OF THE WOODLAWN HOUSING DATA PROJECT

When Chicago won the honor of hosting the 1893 World's Columbian Exposition in Jackson Park, the Woodlawn neighborhood experienced a pivotal point in its history. The 20,000 new residents and entrepreneurs who flocked to the neighborhood spurred a transformative building boom, resulting in large apartments and tourist hotels, lush landscaping, the creation of the Midway Plaisance, and an expanded "L" train along 63rd Street. Today, long after the World's Fair and following decades of disinvestment, population loss, and racially discriminatory housing practices and policies, the Woodlawn community faces many difficult challenges—and a monumental opportunity to rise once more.

Repeating the momentum created by the World's Fair, Chicago and Jackson Park recently won the honor of becoming home to the Obama Presidential Center (OPC), which promises to become a world-class museum and public gathering space that celebrates our nation's first

African American President and First Lady. As stated by the Obama Foundation, the OPC offers an economic engine that will draw hundreds of thousands of visitors each year, create thousands of new jobs, and stimulate significant investment in the neighborhood. Many longtime residents support the forthcoming OPC and recognize its historical, cultural and global significance and the extraordinary opportunity it brings. Yet residents who have lived in Woodlawn for decades, of whom 84% are Black, also fear what might happen when a transformative project brings rapid change to the real estate market and to the composition of a community, contributing to a reduction in housing affordability, a changing face of the neighborhood, and limited options to remain in the place they call home.

Even before the 2016 selection of Jackson Park as the home for the OPC, local nonprofit Woodlawn East Community and Neighbors (WECAN) recognized signs of change in Woodlawn's housing market. Homeowners

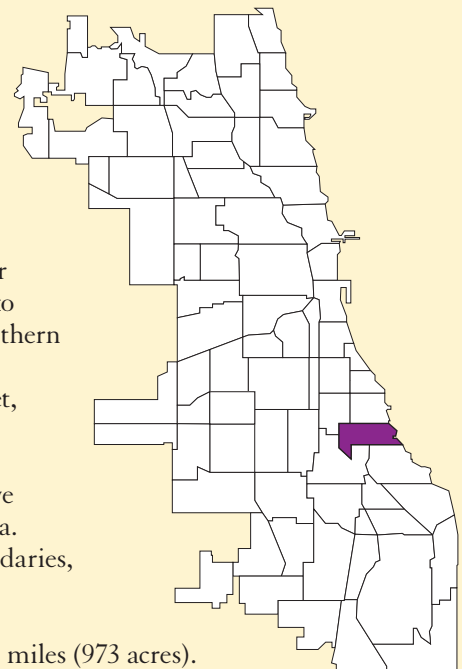
WOODLAWN'S GEOGRAPHIC BOUNDARIES

The Woodlawn community is one of 77 community areas that make up the City of Chicago. Known as Community Area 42, Woodlawn is located six miles due south of downtown Chicago, along Lake Michigan and extending west for two miles.

For purposes of this report and the underlying research, Woodlawn's boundaries extend from Stony Island Avenue on the east to Martin Luther King Drive (King Drive) on the west, and from 60th Street on the north to 67th Street on the south. Between Cottage Grove and King Drive, the southern boundary extends south of 67th Street as follows: from 67th Street and Cottage Grove, the boundary moves south on Cottage Grove to 70th Street, then moves northwest along South Chicago Avenue to King Drive.

At WECAN's request, Parkway Gardens, which is just west of King Drive between 63rd Street and Marquette Road, is also included in the focus area. Although Parkway Gardens falls outside of the community's official boundaries, it has long been considered part of the Woodlawn community.

In total, these boundaries include 4,875 land parcels that cover 1.52 square miles (973 acres).



and renters with deep roots in the neighborhood were losing their homes to foreclosure or increased housing costs or struggling to make ends meet. Property taxes had risen, and housing assistance programs had been reduced or eliminated. Increasingly, residents observed outsiders buying up property. In 2016, as a participant in the University of Chicago Office of Civic Engagement (OCE)'s Community Programs Accelerator¹ (CPA), WECAN sought help with data collection and analysis to objectively understand housing market conditions and trends, and help identifying additional factors that could impact the future of housing stability in Woodlawn. In response to WECAN's request, the CPA offered to facilitate connections to a set of resources and partners who could assist with these efforts.

More specifically, WECAN's goals were to: 1) design and complete a point-in-time survey of building and land

¹ The Community Programs Accelerator provides direct grant funding, implements four levels of capacity building technical assistance, and facilitates access to a range of University resources to contribute to community-based efforts. This work aims to build the organizational resilience, programmatic strength, and capacity of community-based nonprofits and leaders who are implementing and innovating community programs serving the South Side. Participating nonprofits remain independent of the University of Chicago; the Community Programs Accelerator does not play a role in the policy recommendations of WECAN or other participating nonprofits.

conditions in Woodlawn and 2) collect and analyze additional property data to better understand housing related-issues facing current residents and the availability of resources to address them, with the ultimate goal of then utilizing that data and analysis to develop policy recommendations for addressing housing affordability and stability challenges in advance of any economic development triggered by the OPC.

Until now, perceptions of neighborhood change have been largely anecdotal and based on resident observations. This project has resulted in extensive data collection and analysis, enabling WECAN to better understand Woodlawn's current conditions, while also confirming some perceptions and identifying some unanticipated housing issues. The data and analysis also provide essential context and a solid foundation from which WECAN was able to develop a set of policy recommendations which are set forth later in this report.

The following pages summarize the data collection, analysis and findings, and express WECAN's call for action. Underlying data and analysis, including citations to sources relied upon and other details, are available at historicsouthsidecommunitysurvey.com.

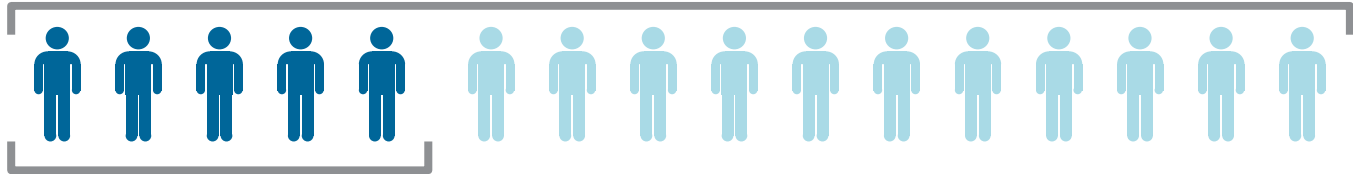


Aerial view of Woodlawn

FIGURE 1. WHO LIVES IN WOODLAWN?

From a population of 81,292 people in 1960...

Source: U.S. Census 1960



...25,207 are left in 2017

Source: American Community Survey 2017

Among those who remain:

78% of households are rented vs. **56%** in Chicago overall

The average household is home to **2.3 people**

15% of residents are unemployed vs. **8%** for Chicago

The median rent for a home is **\$850** per month

27% of households have children under 18

The average commute to work is **42 minutes**

22% of households own their home, vs. **44%** in Chicago

47% of households consist of just one resident

40% of residents below the poverty line; **19%** for Chicago

The median value of a home is **\$260,000**

Median household income is **\$22,500**; for Chicago, **\$53,000**

41% of households are burdened by housing costs

NW Woodlawn

Population: 3,721
Per-capita income: \$15k
94% Black, 2% White,
2% Asian, 2% Other

NE Woodlawn

Population: 6,824
Per-capita income: \$19k
59% Black, 27% White,
9% Asian, 5% Other

SW Woodlawn

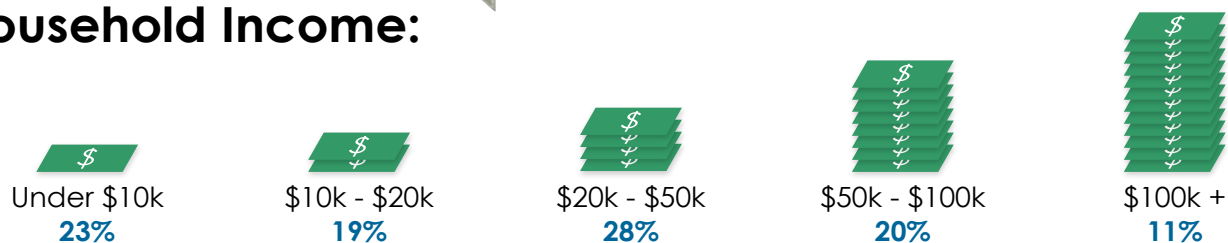
Population: 4,766
Per-capita income: \$14k
95% Black, 3% White,
0% Asian, 2% Other

SE Woodlawn

Population: 9,896
Per-capita income: \$23k
91% Black, 4% White,
2% Asian, 3% Other

From its 20th century peak,
Woodlawn lost 56,086 residents—
nearly 70% of its population.

Household Income:



THE WOODLAWN COMMUNITY AND THE WOODLAWN PARCEL SURVEY

As illustrated in Figure 1, Woodlawn currently faces a number of significant challenges, including major population loss, a high unemployment rate that is nearly double the citywide rate, low median household income, low percentage of homeownership, and high percentage of rent-burdened and housing-cost burdened residents. Some of these issues are more pronounced west of Cottage Grove. Despite these challenges, Woodlawn has experienced significant investment over the past few years, with more activity in the pipeline.

Within that context and at WE CAN's request, in 2016-2017, volunteers from the Woodlawn community worked alongside student volunteers from the Harris School of Public Policy to design and conduct the Woodlawn Parcel Survey (WPS), an unprecedented effort to collect and analyze detailed information about the neighborhood's housing landscape. Small teams of volunteers used a digital parcel-based mapping tool to survey every parcel of property and answer questions regarding land and building use, occupancy status, and physical conditions. The WPS yielded a rich, detailed data set about Woodlawn and its 4,875 parcels of property. WPS results are from 2017 and are therefore point-in-time data. Although some changes in land use have occurred since then, high-level findings are consistent with other publicly available data.

SURVEY RESULTS

- Woodlawn is comprised of 4,875 parcels across 1.52 square miles. 3,280 parcels (2/3) of property have a structure on them. 1,595 parcels (1/3) of property have no structure.
- 90% of structures in Woodlawn are residential, 6% institutional, 4% commercial, and <1% industrial:
 - Half of the 201 institutional properties are education-related; the remainder is a mix of churches, government offices, public service buildings, and nonprofits.
 - Very little commercial space exists in Woodlawn and much of it is in need of repair.

- Properties in Woodlawn are overwhelmingly constructed of high-quality brick and greystone materials.
- 10% of parcels have structures that appear to be vacant; an additional 23% of parcels have structures that are “possibly occupied.”
 - The majority of unoccupied structures are residential buildings located west of Cottage Grove.
- 1 in 8 Woodlawn buildings is visibly in need of repair. The need is more significant for residential properties west of Cottage Grove and for commercial buildings.
- Woodlawn has a diverse mix of housing types with key variations:
 - Most residents live in either 2-6 unit or multi-family apartment buildings.
 - Single family homes are spread throughout the community with the exception of the northwest region, which contains few single-family homes.
 - Condos are located primarily east of Cottage Grove.
 - Housing stock in Woodlawn tends to be both in better condition and more likely to be occupied east of Cottage Grove.
- 1 in 3 properties in Woodlawn has no structure on it. Of those, 63% are vacant lots. The remainder are surface parking lots, parks, gardens, attached lots or railroad property.
 - Of parcels without structures, 4 out of 10 are not maintained.
 - Woodlawn's 1,008 vacant lots are spread across all quadrants with many of the largest lots situated along 63rd St.
 - Illegal dumping of trash and other waste exists on properties across Woodlawn (12%) but is particularly concentrated west of Cottage Grove.

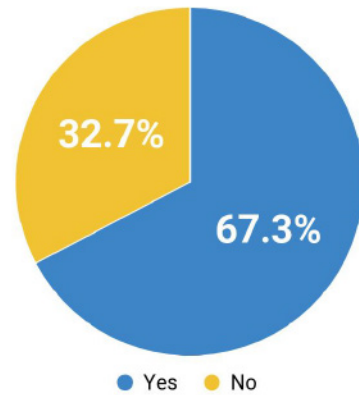
The following pages summarize the main questions and results from the Woodlawn Parcel Survey.

RESULTS FROM THE WOODLAWN PARCEL SURVEY

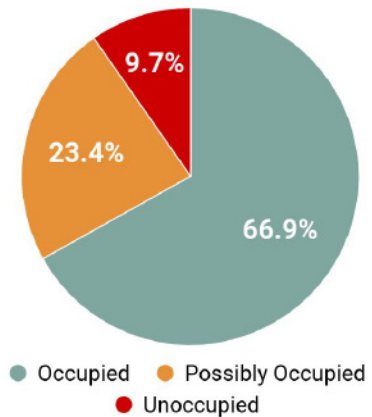
Surveyors answered the following questions for each parcel in Woodlawn. Of 4,875 parcels surveyed, 3,280 have a structure and 1,595 do not.

4,875
Number of parcels in Woodlawn.

1. Is there a **structure** on the site?



2. Is the structure **occupied**?



3. Identify the **material** the building is made from.

69%

Brick

16%

Greystone

9%

Siding

6%

Other

RESULTS FROM THE WOODLAWN PARCEL SURVEY

4. What is the structure used for?

90% are Residential:



797 Single Family Homes

1663 Res 2-6 Units

215 Condo/Co-op Building

202 Multifamily Apartments 7+ Units

46 Mixed-Use Commercial/Residential

18 Garage/Sheds

6% are Institutional:



97 School

53 Religious

31 Government & Public Safety

12 Nonprofit/Health/Rec/Other

4% are Commercial:



28 Retail

50 Service

36 Multi-occupant/Other

<1% are Industrial:



32 Industrial/Warehouse/Other

3,280

Parcels in Woodlawn have
structures on them.

STRUCTURE CONDITION



1 in 8 Woodlawn
properties is in visible
need of repair.



Of the 415 properties in
need of repair, **60** were
tagged as having fire
damage.

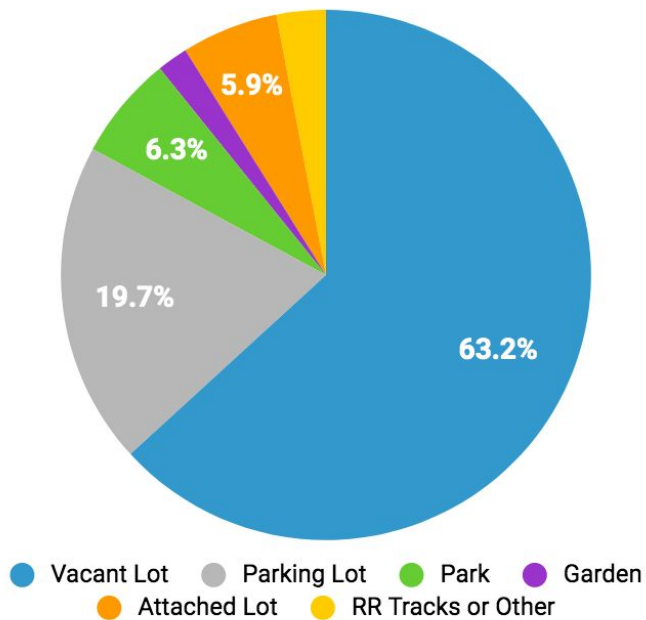


RESULTS FROM THE WOODLAWN PARCEL SURVEY

For the 1,595 parcels without structures, surveyors answered a series of questions on the land's use and conditions.

1 in 3
Woodlawn parcels has
no structure on it.

5. What is this **lot** used for?



1008 Vacant Lots

314 Parking

101 Park

94 Attached Lots

48 RR Tracks or Other

30 Garden

6. Is the lot **maintained**?

60% **40%**
YES **NO**

7. Is there **litter** or **dumping** present?

577

Parcels showed signs of litter or dumping on the property.

FINDINGS AND IMPLICATIONS

After completing the WPS, more than 30 publicly-available datasets on Woodlawn were identified, and more than 20 of them were analyzed or integrated with the base layer of the WPS data to enable a more granular analysis. The additional analysis allowed for a pinpointing of key housing-related trends affecting long-time residents and resulted in solid empirical grounding for five key findings that validate observations shared by many longtime Woodlawn residents. Some of these findings are consistent with findings that have been documented in recent reports about the neighborhood's future.

DATASETS USED FOR THE WOODLAWN HOUSING DATA PROJECT

CITY OF CHICAGO

- Affordable Housing Sites
- All Affordable Rental Housing Developments
- Building Permits
- City-Owned Vacant Land
- Vacant Properties by Community Area

COOK COUNTY

- Cook County Land Bank Properties
- Cook County Scavenger Sale Properties
- Historic Tax Sale Properties
- Residential Tax Certificates
- Tax Sale 2018 Properties
- Vacant Land Tax Certificates
- Woodlawn 2018 Ownership and Tax Data

HOUSING AND URBAN DEVELOPMENT

- 2017 Programs by Census Tract
- 2017 Subsidized Housing Units By Census Tract
- LIHTC Projects in Woodlawn
- Multifamily Assistance & Section 8 Database

DEPAUL IHS

- Foreclosure Auctions in Chicago Community Areas
- Foreclosure Filings in Chicago Community Areas
- Housing Stock in Chicago Community Areas
- Property Sales in Chicago Community Areas

UNITED STATES POSTAL SERVICE

- Vacant Buildings by Census Tract

FINDING #1: HIGH VACANCY



An estimated 27% of properties in Woodlawn are “inactive,” including vacant buildings and vacant land. In most neighborhoods, this level of “hyper-vacancy” would typically be considered a key challenge. In fact, Woodlawn’s “hyper-vacancy” has previously signaled disinvestment and likely contributed to the significant public safety issues that have negatively impacted the community for years.

Yet in a neighborhood like Woodlawn that today is on the brink of significant change, the high level of vacancy also represents an incredible opportunity to re-envision the future for these spaces. As of 2018, approximately half of the vacant lots were owned by the City of Chicago (35%) or Cook County (13%), presenting an opportunity for local government to work hand-in-hand with community residents to shape a vision for future use of these parcels. With thoughtful planning, Woodlawn has an opportunity to grow without displacing existing residents.

SURVEY RESULTS AND DATA VALIDATION

One of the most striking features highlighted by the WPS was the high percentage of “inactive properties,” defined as vacant lots with no structures or lots with unoccupied structures. Of the 4,875 parcels in Woodlawn, the WPS shows that over 20% are vacant lots (1,008 parcels), compared to Hyde Park, which has only 90 vacant lots (3% of all parcels). Among Woodlawn’s vacant lots, 48% are publicly owned. The WPS also shows that at least 7% of Woodlawn’s properties are vacant buildings, a conservative estimate given the challenging nature of determining building vacancy. To validate the WPS 27% vacancy rate, the findings were compared to vacancy data for Woodlawn from the U.S. Postal Service (USPS) 2018, 3rd Quarter and from the U.S. Census Bureau’s ACS 2017. Although the datasets measure vacancy differently, the results suggest that 19-27% of Woodlawn properties are inactive.

DRIVERS OF VACANCY

Longtime population loss and the impact of the recent foreclosure crisis are key drivers to Woodlawn’s high level of vacancy. Additionally, property abandonment, arson and deferred maintenance have led to demolition of thousands of housing units.

Woodlawn's population decline from a peak of 81,000 residents in 1960 to its current population of 25,000 left the community with many vacant buildings and lots. In 1968, shortly after the assassination of Dr. Martin Luther King, Jr., many properties were vandalized in response to his death. Much of the vandalized property was later demolished, leaving many vacant lots. The foreclosure crisis of 2007-2009 caused hundreds of residents to lose their homes and leave the community. Although not all foreclosure filings result in a vacant home, Woodlawn's foreclosure filing rate peaked in 2008 at eight filings per 100 residential parcels, nearly three times more than the citywide rate, according to DePaul University's Institute on Housing Studies. Although Woodlawn's foreclosure filing rate has dropped significantly since that time, a great deal of vacant and foreclosed property is likely being held by financial institutions, a continued echo of the foreclosure crisis as signs of change begin to take root in Woodlawn.

FINDING #2: AT-RISK RENTERS



Woodlawn is predominantly a neighborhood of renters, many of whom are already defined as rent-burdened because they spend more than 30% of household income on housing costs. Given the combination of factors outlined below, many renter households face great uncertainty regarding their long-term ability to stay in Woodlawn. As existing renters are priced out of the neighborhood, there is potential for new residents to move to Woodlawn, potentially rapidly changing the composition of the neighborhood.

NEIGHBORHOOD OF RENTERS

According to the 2017 American Community Survey (ACS), 77% of households in Woodlawn (8,019) are renter households, compared to a citywide average of 55%. Of the 77 community areas in Chicago, only seven have a higher percentage of renters than Woodlawn. In addition, data from Princeton's Eviction Lab shows that Woodlawn's 6% eviction rate is 54% higher than the City of Chicago's rate.

RENT-BURDENED HOUSEHOLDS

2017 ACS data shows that 60% of renter households in Woodlawn (4,798 households) are "rent-burdened," which the U.S. Department of Housing and Urban Development (HUD) defines as families who pay more than 30% of their income for housing and therefore may have difficulty affording food, clothing, transportation, medical care or other necessities. Among those rent-bur-

dened households, nearly half (2,679 households) are "severely rent-burdened," paying 50% or more of their income on gross rent.

CONCERN ABOUT LOSS OF GOVERNMENT-SUBSIDIZED AFFORDABLE HOUSING

A total of 4,622 units within Woodlawn's housing stock are government-subsidized affordable rental housing, including three subsidy type categories outlined below. The majority of these units are privately owned, with either a 15- or 30-year affordability restriction tied to the rental unit. Because of the time bound nature of the affordability restriction, some renters are concerned that the subsidized units could be lost at the end of the time period, if the owner decides not to extend the affordability period, but rather, to sell the building, increase rents, or no longer accept tenants who are using a housing voucher. Woodlawn currently has:

- 2,518 units supported with Project-Based Vouchers, which are tied to the units and carry active affordability requirements;
- 337 units of Chicago Housing Authority (CHA)-operated public housing; and
- 1,767 units rented by a tenant using a Section 8 Housing Choice Voucher (HCV).

CONCERN ABOUT INCREASING RENTS AND HOUSING CONVERSIONS

In addition to government-subsidized units, Woodlawn's median monthly rent of \$850 is much lower than the median monthly residential rent in Chicago, which was \$1,078 in 2017. As the neighborhood changes and prices increase, Woodlawn's naturally occurring affordable rental properties are at risk of being lost, pricing out existing rental tenants in the neighborhood. Additionally, residents are justifiably concerned about multi-family rental properties being converted to condominiums or single-family homes, resulting in a greater loss of rental housing in the neighborhood. Condo units declined by about 100 units between 2014-2017, with half of the lost units located west of Cottage Grove. Conversely, most new and existing condo units are disproportionately located east of Cottage Grove.

CONCERN ABOUT AFFORDABLE HOUSING FOR SENIORS

Over 1,000 of the government-subsidized affordable rental units referenced above are designated for seniors and/or individuals with a disability, and ACS data shows that 1,701 renter households have senior heads of household. Although not all seniors may need subsidized housing, neighborhood demographics indicate that many senior

households may be in need of an affordable unit. A thorough needs assessment for senior residents would be helpful to more accurately determine the unmet needs for seniors in Woodlawn's rental market.

FINDING #3: AT-RISK HOMEOWNERS



Many longtime homeowners in Woodlawn are financially vulnerable and at risk of losing their homes. Woodlawn's low homeownership rate of 23% is far below the citywide average, and as

cost-burdened homeowners face rising property taxes and home maintenance costs, they face a growing risk of losing their homes, especially in a changing market.

LOW HOMEOWNERSHIP RATE

According to the ACS, in 2017, only 23% (2,462 units) of Woodlawn's 10,481 occupied units were owner-occupied, one of the lowest homeownership rates of any community area in Chicago and far below the citywide average of 44%. Homeowners are distributed throughout Woodlawn, with the WPS finding that most residential condo units are located east of Cottage Grove; the northwest region of Woodlawn is comprised almost exclusively of 2-6-unit properties; and many single-family homes are concentrated south of 63rd street, particularly in the southwest quadrant.

DEEPLY INVESTED HOMEOWNERS

Per 2017 ACS data, the average homeowner residing in Woodlawn has lived in their home for 18 years, reflecting a deep commitment to and investment in the neighborhood.

COST-BURDENED HOMEOWNERS

Woodlawn homeowners already face economic pressures, which will only increase as Woodlawn's housing market changes. More than 60% of Woodlawn homeowners are cost-burdened, meaning they spend 30% or more of their income on housing costs, according to the ACS. Furthermore, 26% of owner-occupied units are headed by seniors, age 65 and above, who are likely either low-income or on fixed incomes.

ESCALATING HOME REPAIR NEEDS

Based on the exterior conditions of the buildings, the WPS identified 415 Woodlawn properties in need of repairs, of which 109 are owner-occupied buildings. The majority of these buildings are located west of Cottage Grove. The average age of Woodlawn's housing stock is

77 years and the survey found that most of Woodlawn's buildings are constructed of brick (69%) or greystone (15%). Older structures, particularly those built with high-quality materials, typically require costly repairs that a financially vulnerable homeowner is unlikely to afford. In particular, most of Woodlawn's greystone buildings, which are widely recognized as unique and historic neighborhood treasures, are approximately 100 years old and require an increased level of investment to maintain and preserve. Some cash-strapped homeowners delay repairs, bringing threats of building code violations, liens, and lawsuits.

In fact, some Woodlawn homeowners who cannot afford repairs face what WECAN believes is unfair pressure from the City's Troubled Buildings Initiative (TBI). TBI is intended to pressure negligent homeowners and landlords to repair dilapidated properties, and when needed, to transfer ownership to a Court-appointed Receiver to bring the property up to code. While the TBI has been able to successfully address unsafe property conditions in some circumstances, in other circumstances, WECAN believes that an unintended consequence has been to place extreme pressure on innocent homeowners to spend money on fees, fines, attorneys, and repairs, or lose their homes. For some cost-burdened homeowners, these expenses are too much to handle, and some Woodlawn homeowners are concerned that increased pressures and repair costs will simply be too much to bear.

PROPERTY TAX BURDEN

According to data from the Cook County Assessor's Office, property taxes in Woodlawn have increased 23% over the last six years and could possibly rise by almost 30% in the coming six years. The increases in tax bills have resulted from a combination of tax rate increases as well as property assessment growth from the 2015 reassessment. If homeowners cannot keep up with property tax payments, they risk losing their homes to tax foreclosure or being pressured to sell their home on the open market.

Looking ahead, for the assessment year 2018, homes west of Cottage Grove are expected to see 6.93% growth in property values, and homes east of Cottage Grove are expected to see 18.72% growth. Although residents throughout the neighborhood face growing financial pressures, the threat of property tax increases is more urgent among long-time homeowners east of Cottage Grove, where seniors and low-income homeowners will be unlikely to afford the rising tax bills.

Although Cook County offers several tax abatement programs for qualifying homeowners, none eliminate the increase or permanently freeze the payment amount if a unit of local government increases tax rates. Additionally, both the senior exemption and the senior tax freeze require an annual re-application from the homeowner, creating a challenge for those who qualify for property tax relief but may not have the capacity to re-apply each year. In Tax Year 2017, 59 of Woodlawn's 641 senior homeowners (9.2%) did not claim the senior exemption. While Cook County does also offer a longtime homeowner's exemption, the County itself acknowledges that only 2% of homeowners countywide qualify for it.

FINDING #4: INCREASING MARKET ACTIVITY



Since 2015–2016, Woodlawn has been experiencing accelerated development activity (see Figure 2), marked by traditional indicators that signal neighborhood change. To complement the WPS and

assess market trends, several common indicators of market change were reviewed, revealing that Woodlawn is drawing attention and capital from developers and investors, especially between Cottage Grove and Stony Island Avenues. Without balanced growth policies and other safeguards to protect low and moderate-income families, this increased activity may put increased pressure on longtime Woodlawn residents—homeowners and renters alike.

FEWER BANK-OWNED FORECLOSED PROPERTIES

The percentage of foreclosed properties held by banks in Woodlawn has been decreasing over the past few years. Homes offered at a real estate foreclosure auction are more likely to sell in an appreciating market, when they are typically purchased by an individual, investor, or land bank, rather than becoming Real Estate Owned by the bank, also called REO. In 2015, 89.4% of foreclosed property in Woodlawn did not sell at auction, but rather, went back to the bank as REO. In 2016, that number fell to 69.8% and, in 2017, to 67.4%. The trend indicates that Woodlawn may be drawing speculative interest, with developers or investors purchasing property at auction with an intent to develop the property for a profit.

SIGNIFICANT INCREASE IN BUILDING PERMITS

Construction permit data for Woodlawn also demonstrates that that Woodlawn is a community with growing development activity. The community has seen a signifi-

cant increase in new construction, demolition, renovation, and “easy permit” permits. From 2013 to 2015, 601 new construction, demolition, renovation, and easy permits were issued for the Woodlawn neighborhood. In the three years following the OPC announcement (2016 to 2018), 811 permits were issued—a 35% increase in permit activity.

INCREASING MEDIAN HOME SALES PRICES

According to Redfin, home sales in Woodlawn over the last three years show an increase in median value of 2% from 2015 to 2016, followed by an increase of 8% from 2016 to 2017 and 8% from 2017 to 2018. That translates to a median home sale price of \$138,750 in 2016, rising to \$161,965 in 2018. Although Woodlawn home sale prices still lag behind city averages, the 8% year-to-year growth is significantly higher than Chicago as a whole.

RECORD HIGH HOME SALES PRICES

In March 2019, Crain's Chicago Business reported that two homes east of Cottage Grove sold for a record price of more than \$700,000 and the developer had announced plans to build two more priced at \$749,000.

FINDING #5: INADEQUATE RESOURCES



An inadequate level and type of resources and strategies are available to Woodlawn residents to address the issues noted above. As recently as ten years ago,

Woodlawn benefited from more government resources for housing assistance than it does today. In this era of declining government resources, a variety of programs have been trimmed back or discontinued.

For example, with annual funding allocations from the City of Chicago, WECAN previously served as a housing resource center to support the ongoing housing needs of Woodlawn residents, however it no longer has the dedicated resources to maintain that service. A collaborative effort of Neighborhood Housing Services of Chicago (NHS), the City of Chicago and others offered funding to greystone owners to support the costly repairs and modernization of this historic type of home prevalent throughout Woodlawn, but those funds are no longer available. In 2016 and 2017, the City approved housing improvement grants to Woodlawn residents through the Woodlawn Tax Increment Financing District Neighborhood Improvement Program (TIF/NIP), but that was a short-term program only.

FIGURE 2. NEW AND PROPOSED WOODLAWN DEVELOPMENT (AS OF SEPTEMBER 2019)



WOODLAWN'S UNIQUE CONTEXT

The OPC is a remarkable project of international significance that promises to bring extraordinary economic and cultural value to Chicago and Illinois. Like the World's Columbian Exposition in 1893, the OPC promises to bring transformational change to Woodlawn and to the neighboring communities of Hyde Park, South Shore and Washington Park, catalyzing significant investment and population growth to neighborhoods that have long been impacted by decades of disinvestment, population loss, high levels of crime, racially-discriminatory housing policies, and a variety of economic challenges.

WECAN and many longtime Woodlawn residents support the forthcoming OPC; recognize the historical, cultural and global significance it brings to the community; and agree it could be a massive economic engine for Woodlawn and other surrounding neighborhoods that could lead to extraordinary change. At the same time, WECAN has real concerns that the longtime residents who have invested in and helped to preserve Woodlawn throughout years of economic ups and downs, with their own humble resources and spirited organizing skills, are the ones who will be pushed out and negatively impacted.

That is why WECAN believes that a public investment of this extraordinary scale necessitates innovative thinking and an unprecedented approach to planning for the future of its host community and surrounding neighborhoods. Approaches to planning for the protection of existing homeowners and renters that have been used in other changing markets have proven to be inadequate. Nor should Woodlawn residents have to compete with other communities for resources given the magnitude of the investment that will soon drive community change. For example, after the City of Chicago invested just \$95 million in the 606 Bloomington Trail in Logan Square, the neighborhood experienced even more rapid gentrification, with luxury homes priced upwards of \$1 million built near the trail. Anti-displacement strategies were rolled out after the fact and were too little and too late. The experience of the 606—an investment that pales in comparison to plans for the OPC—underscores the need to be proactive about protecting housing stability for longtime Woodlawn residents.



WECAN'S POLICY RECOMMENDATIONS

WECAN is proud to welcome the OPC to Woodlawn, and to be a key partner in the neighborhood's growth. Critically, it seeks to do so without displacing the longtime homeowners and renters who have called Woodlawn home for decades and who are faced with a limited set of options to remain in their community.

Given the extraordinary scale of forthcoming public investment, an innovative and proactive approach to the future is justified and needed for Woodlawn (and ultimately, for the neighboring Washington Park, South Shore and Hyde Park communities, which together, serve as host communities for the OPC).

Based on the results of the Woodlawn Parcel Survey and related analyses and findings, WECAN developed a set of policy recommendations designed to help the neighborhood grow without displacement of current residents.

WECAN's recommendations are informed by the independent research and analysis conducted by student volunteers from the University of Chicago Harris School of Public Policy and technical assistance provided by Preservation of Affordable Housing and Loveland Technologies, but the policy recommendations in this report are solely those of WECAN and do not reflect the views of Preservation of Affordable Housing, Loveland Technologies, the University of Chicago or any entity of, or person employed by or affiliated with the University.

SUMMARY OF WECAN'S POLICY RECOMMENDATIONS

The following policy recommendations are designed to prevent resident displacement in Woodlawn while welcoming the OPC and contributing to the growth of its host neighborhoods:

To ensure adequate housing resources are available and accessible to current Woodlawn residents:

- **Fund a centralized Housing Resource Center** to serve residents of Woodlawn, with the possibility of later expansion to serve residents in surrounding neighborhoods.
- **Establish a new 5-year \$25 million Housing Fund** to invest in the needs of current residents.
- **Conduct a Community Census** to better understand the housing and other needs of current residents.

To bring vacant land back to productive use in Woodlawn in a way that benefits current Woodlawn residents:

- **Implement a collaborative community process to establish a collective vision for utilization of vacant land** in a way that supports the needs of longtime residents.
- **Repurpose the Woodlawn TIF**, with priority uses to include investment in affordable housing and home repairs.
- **Decide on the mechanism to preserve and maintain affordable housing units permanently** in Woodlawn. This could include partnerships with the Chicago Community Land Trust and other emerging local land trusts.

To protect long-time homeowners at risk of displacement:

- **Establish property tax relief for income-eligible residents** who have owned a home in Woodlawn for at least ten years, through state legislation or another funding mechanism.
- **Provide property repairs assistance, and pro bono legal assistance and property tax assistance.**

To protect long-time renters at risk of displacement:

- **Collaborate with the Preservation Compact to develop and implement a focused Woodlawn strategy**, utilizing a variety of tools to preserve existing rental housing units.
- **Ask the City of Chicago to monitor condo and single-family home conversion activity** and protect longtime residents of Woodlawn from displacement.

Recommendations Legend



Addresses High Vacancy



Supports Homeowners



Supports Renters



Addresses Increasing Market Activity



Addresses Inadequate Resources

RECOMMENDATION #1



Fund a Housing Assistance Resource Center to serve longtime residents of Woodlawn that:

- **Centralizes all housing assistance resources** in a single location where longtime homeowners and renters can obtain credible, trustworthy, and reliable assistance with housing needs and questions, including access to free housing counseling or sliding scale legal assistance to help homeowners and renters understand their rights, access housing assistance, and protect themselves from being taken advantage of within the changing market;
- **Maintains a real-time database** of neighborhood housing properties and real estate transactions to monitor market activity and the preservation of subsidized affordable units;
- **Executes community organizing strategies** to increase community participation and engagement in neighborhood development and enable longtime homeowners and residents to speak with a single unified voice on neighborhood housing issues;
- **Maintains a database of residents** who want to remain in Woodlawn, Hyde Park, Washington Park, and South Shore and provides them with assistance to help guard against displacement;
- **Creates and distributes customized toolkits** for longtime residents of the host communities to offer an easy-to-understand package of resources, such as a “Homeowners Early Intervention Toolkit” for homeowners who are concerned they are at risk of losing their home to tax sale or foreclosure; a “Homeowners Repair Toolkit” to direct homeowners to programs, resources, and contractors to help keep their homes in good working order; and a “Renters Toolkit” to educate rental tenants of their rights and direct them to assistance if they fear that their building is at-risk of being converted to condos or sold to an outside speculator;

- **Is capable of identifying other neighborhood challenges before they materialize**, in essence functioning as an early warning system;
- **Monitors Woodlawn’s housing conversions of rental buildings** into condos or single-family homes in partnership with the City of Chicago to protect residents of Woodlawn from displacement. In 2012, the City of Chicago updated its Condominium Ordinance to monitor potential condo conversions and protect rental tenants who may be impacted by a building conversion. With the market gaining momentum in Woodlawn, now is the time to more closely monitor and enforce compliance with the ordinance; and
- **Expands over time to also serve residents of surrounding neighborhoods**, including Washington Park, South Shore and portions of Hyde Park. Residents of these neighborhoods may face many of the same issues that Woodlawn residents face.

RECOMMENDATION #2



Establish a new 5-year \$25M Host Community Housing Fund to invest in housing needs of existing residents.

The new, time-limited fund could be overseen and administered by a local community development financial institution, serving as a centralized resource to strategically invest in the housing needs of existing residents of the OPC’s host communities. Although specifics of the Fund would need to be further developed in a way that reflects community priorities, its centralized funding could support programs that have proven successful in the past but have been discontinued or scaled back due to decreases in public or philanthropic funding, as well as programs or needs that arise in real-time and require more urgent solutions. For example, the fund could support:

- **A targeted Home Repair Grant Program** available to longtime homeowners facing extensive need for home repair or to landlords interested in maintaining affordable rental units for longtime residents. Eligibility requirements could include income guidelines and/or length of neighborhood tenure;
- **Home maintenance grant programs** such as those administered through the Historic Greystone Initiative;
- **Down payment assistance programs** targeted to helping long-time renters become homeowners within the neighborhood, modeled off the recent “Renew Woodlawn” initiative; and
- **Property tax relief grants** for longtime owners facing significant increases in property taxes.

Creating a centrally administered Woodlawn Housing Fund offers an opportunity to centralize fundraising efforts. Capital could be raised from a variety of sources, including a collection of interested philanthropic foundations, individual major gift donors, or other sources. Public funds could also be contributed and earmarked for implementation of initiatives within a specific geographic zone or for a specific demographic of local residents. As part of the capital raising strategy, other creative sources could also be considered, such as allocating a portion of the real estate transfer tax from property sales in Woodlawn above a certain sales price or allocating a portion of the sales tax revenues generated from businesses that operate in a defined area of Woodlawn and benefit from proximity of the OPC.

The fund’s governance and administrative structure could be modeled after similar funds, such as the “Fund for Chicago’s Neighborhoods”, established by a coalition of Chicago-based philanthropic funders in response to Chicago’s 2016 Olympics Bid to ensure that existing residents of Washington Park and surrounding neighborhoods would experience benefits and not suffer adverse consequences from Olympics-related investment in their communities.

RECOMMENDATION #3



Conduct a Community Census to better understand the housing and other needs of existing residents.

To augment the findings of this report and gather direct feedback from Woodlawn residents, conduct a Community Census to best understand the needs and desires of existing

residents, particularly senior citizens. Seniors are among the most vulnerable when neighborhood change occurs because they often have fixed or no income. In order to ensure that the 3,140 seniors living in Woodlawn and other longtime residents can gracefully age in place, we recommend conducting a Community Census to provide residents with an opportunity to communicate their needs. A Community Census, like those undertaken by Jackson/Clark Partners in several Pittsburgh neighborhoods, will allow for a better understanding of the type of housing and other social needs of residents and inform the development of new programs or initiatives to address those needs. Results from Jackson/Clark’s Larimer Community Census helped lead to a \$30M Choice Neighborhoods award from HUD.

RECOMMENDATION #4



Implement a collaborative community process to establish a collective vision for utilization of vacant land in a way that supports the needs and interests of longtime residents.

Ask the Aldermen of the 20th and 5th wards to immediately initiate an open, transparent community planning process to re-imagine uses for the significant amount of vacant land and ensure disposition strategies create opportunities to benefit existing residents, rather than giving the land away for market-rate developments that may push out existing residents. As part of the process:

- **Involve existing residential, institutional and commercial stakeholders** in the Woodlawn community;
- **Involve representatives** from the Mayor’s Office, City Department of Housing, City Department of Planning and Development, Cook County Land Bank Development Authority, and Cook County Bureau of Economic Development, due to the high percentage of vacant lots owned by the City and County;
- **Prioritize the re-envisioning and re-imagining of future uses** for the significant amount of vacant spaces;
- **Include prioritized uses** such as development of new affordable rental housing developments for longtime Woodlawn residents who want to stay in the neighborhood or affordable retail that existing residents can afford;
- **Leverage the existing research and planning work** completed to date by addressing the issues identified in this report and other reports recently prepared about Woodlawn;

- **Incorporate best practices learned** from other Chicago communities that are currently experiencing gentrification as a result of outside investment, such as Pilsen and Logan Square; and
- **Develop an implementation plan** with projected funding streams and a framework for monitoring and evaluation.

RECOMMENDATION #5



Re-purpose the Woodlawn TIF, which expires in 2022, with priority uses to include investment in affordable housing and home repairs.

The existing Woodlawn TIF expires in 2022. The underlying premise of the original Woodlawn TIF was to attract development, and that premise has changed significantly in light of the OPC investment. Work should begin now to avoid expiration, and moving forward, the TIF should also be repurposed with a goal of providing funds that are dedicated to addressing the affordable housing needs of Woodlawn residents, whether by rolling out another TIF-Neighborhood Improvement Program (TIF-NIP) home repair grant program for homeowners, investing in preservation of existing properties and/or developing new affordable rental units in Woodlawn.

RECOMMENDATION #6



Establish property tax relief for income-eligible residents who have owned a home in Woodlawn for at least ten years.

It is expected that by the time of the 2020 county property reassessment, property values in Woodlawn will have appreciated markedly, leading to even greater property tax increases for Woodlawn property owners than what they have experienced in recent years. In addition to a required tenure of ownership (e.g. ten years or more), income and/or age criteria can be used to identify eligible recipients and provide relief that offsets marginal increases from a baseline year.

Property tax relief can come in one of many forms, such as:

- **Freeze current assessment levels** for existing owners, which would require state legislation; one model is to create a new Special District under state law

that defines a geographic area surrounding the OPC to provide defined protections to existing residents and to unique or historic structures that might otherwise be at-risk;

- **Establish a new Longtime Owner Occupant Property (LOOP) Exemption**, modeled after a similar initiative in the City of Philadelphia, that allows longtime owners to apply for an exemption if their assessed value increases by a certain amount from the prior tax year; or
- **Establish a Woodlawn Property Tax Payment Assistance Fund**, which could provide grant funds to cover the marginal increases in property tax payments over time and be administered through the previously mentioned Host Community Housing Fund.

RECOMMENDATION #7



Partner with the Chicago Community Land Trust (CCLT) and other emerging land trusts to permanently protect affordability of existing homeownership units within the Woodlawn community.

The CCLT is a partner in providing working individuals and families in Chicago with opportunities to preserve the long-term affordability of participating homeownership units, while providing its homeowners with a return on their investment. The CCLT offers a network of support and a range of incentives to help homeowners ensure long-term security and stability in their home. Through a partnership with the Cook County Assessor's Office, as part of the CCLT, property taxes are assessed on the home's affordable price, instead of on the market value, and owners also have access to other potential resources. In addition to the CCLT, a local land trust is in formation in Woodlawn, with the goal of providing long-term protection to local homeowners.

To protect long-time homeowners, the Woodlawn community should ask the CCLT and other emerging land trusts in Chicago to collaborate on a strategy to permanently preserve affordable housing units in Woodlawn and surrounding neighborhoods. An area-wide land trust outreach and education campaign would help existing and new Woodlawn homeowners understand the responsibilities and benefits of opting into the land trust in a way that can protect the long-term affordability of their home and neighborhood.

RECOMMENDATION #8



Collaborate with the Preservation Compact to develop and implement a focused Woodlawn strategy, utilizing a variety of tools to preserve existing affordable rental housing units.

The Preservation Compact was formed in 2007 to respond to growing losses in the region's supply of affordable rental housing. Through the initiative, leaders from a variety of disciplines come together to identify the most pressing affordable rental housing problems, devise solutions, and implement on-the-ground strategies that can assist developers, owners, tenants, government

officials and nonprofit organizations in ensuring safe, affordable housing far into the future. The Preservation Compact would be particularly helpful in looking at ownership and expiration dates for subsidies of affordable rental housing to assess which rental housing units are truly at risk of being lost and helping to develop a strategy for loss prevention.

Development and implementation of a Woodlawn-specific strategy that is conducted in partnership with WECAN and other neighborhood stakeholders could address the range of issues faced by at-risk renters within the neighborhood, including government-subsidized affordable units and naturally occurring affordable housing units that will soon be at-risk as the neighborhood undergoes change.

CONCLUSION

WECAN's mission is, and has always been, to meet the changing needs of the Woodlawn community and its residents. The World's Columbian Exposition was a pivotal point in Woodlawn's history, and one that brought significant cultural and economic benefits to the neighborhood. Today, in the face of another pivotal neighborhood change, WECAN's goal is that the transformation promised by the OPC and other forthcoming development will not only benefit the geography of Woodlawn—but also benefit the people who already proudly call it home. Long-time residents who have invested in Woodlawn deserve to remain part of the neighborhood's future. We must work together. The time to act is now.



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Woodlawn East Community and Neighbors (WECAN) is a Chicago, Illinois-based 501(c)(3) organization and has no affiliation with POAH, Loveland Technologies or the University of Chicago.

The policy recommendations in this report are solely those of WECAN and do not reflect the views of POAH, Loveland Technologies, the University of Chicago or any entity of, or person employed by or affiliated with, the University.



WECAN

Woodlawn East Community and Neighbors