



OFFICE OF THE MAYOR
CITY OF CHICAGO

FOR IMMEDIATE RELEASE

July 30, 2014

CONTACT:

Mayor's Press Office

312.744.3334

press@cityofchicago.org

Department Planning and Development (DPD)

(312) 744-9267

CITY COUNCIL APPROVES MORATORIUM ON SRO AND RESIDENTIAL HOTEL CONVERSIONS

Moratorium Stems Loss of Affordable Housing Units While a Balanced Proposal is Developed

The City Council approved an ordinance today that establishes a 6-month moratorium on the conversion and demolition of Single Room Occupancy (SRO) housing and residential hotels in Chicago. Up to 6,000 units were at risk due to the conversion of SROs and residential hotels into market rate housing. The moratorium preserves current SROs and residential hotels while the City works with property owners, developers, nonprofits, and advocates to develop a new, permanent ordinance that balances the need for economic growth with affordable housing options.

"There is a critical balance between development that will help spur Chicago's economy into the future and providing safe and affordable housing for its residents. This ordinance allows us the time to fully evaluate what a balanced proposal will look like," said Mayor Emanuel. "We will continue to work with community leaders and advocates to come to an agreement that takes both of these important aspects of our city's growth into consideration."

The moratorium ordinance prohibits the issuance of any City building permits that would result in the demolition or conversion of SROs and residential hotels.

"The people who live in SROs may be invisible to most of Chicago, but they are citizens of Chicago and deserve the same chance at a roof over their heads as anyone else in the city," said Alderman Walter Burnett, Jr.

"Maintaining our stock of SROs is critical for meeting the needs of residents across Chicago. This ordinance will allow us time to look continue working on improved regulations to provide affordable housing and keep residents from becoming homeless," said Alderman Ray Suarez.

SROs and residential hotels, which are generally acknowledged as the housing of last resort for some of the city's poorest and most vulnerable residents, have declined in number dramatically over the past five years. In the past three years, at least four SRO hotels have closed, including the Belair Hotel, Sheffield House and the Chateau Hotel, leaving close to 600 residents displaced and with no viable housing alternatives.

"I am proud to have partnered with the Mayor, my fellow sponsors, property owners, and ONE Northside the SRO preservation ordinance which balances the interests of property owners with the City's goal of preserving all types of affordable housing; and I applaud the Mayor's commitment to preserve SRO units--for many this is a housing of last resort," said Alderman Ameya Pawar.

Since 2008, 30 of the City's licensed SROs have closed and only 5,000 to 6,000 units remain in the City's 73 licensed SROs. According to the Chicago for All Coalition, since 2011, more than 1,600 SROs and residential hotel rooms have been converted by developers into higher-priced residential buildings.

John Bartlett, Executive Director of the Metropolitan Tenants' Organization, stated, "SROs are a vital part of the overall affordable housing picture in Chicago. They are often the first step out of homelessness, and we couldn't afford to lose any more SROs to market rate development than we already have."

"SROs are a vital part of our city's housing stock. It is often the last type of housing someone can affordably access before they fall into homelessness," said Eithne McMenamin, Associate Director of Policy at the Chicago Coalition for the Homeless. "Considering how many units we've lost in just the past few years, it is critical that we preserve the SROs that remain."

"Losing SRO housing has devastating consequences for the disabled, working poor, and others who call these units home. It is important that all people have access to clean, safe and affordable housing," added Adelaide Meyers, a former tenant of the now-shuttered Norman Hotel in Uptown and member of ONE: Northside, the organization leading the Chicago for All Coalition.

The Chicago for All Coalition is headed by ONE Northside, the Chicago Coalition for the Homeless and the Sargent Shriver National Center on Poverty Law. The City, Alderman Burnett, Alderman Pawar and the Chicago for All Coalition developed the moratorium ordinance to stem further displacement of the City's poorest and most vulnerable residents while a more permanent and balanced solution is developed.

###