

To: Potential South Works Site Developer
From: Coalition for a South Works CBA
Date: 3/21/2017

Introduction

In exchange for its full support of the large scale development project of the former U.S. Steel South Works site (“the Project”), Coalition for a South Works CBA (“The Coalition”) requests to enter into negotiations with the developer selected for the Project (“the Developer”) to execute a comprehensive Community Benefits Agreement (“CBA”) for the Project.

The Coalition, coordinated by the Alliance for the Southeast (“ASE”), is comprised of over 40 members and allies representing a robust and diverse cross-section of the communities surrounding the South Works site. Current members and allies of the Coalition include: local employment training centers, labor organizations, housing agencies, schools, community-based organizations, faith-based organizations, small businesses, and block clubs, among others. The Coalition was formed in May of 2013 to develop proposed terms for a South Works Community Benefits Agreement. It is the *only* community-based coalition of its kind addressing the community’s needs and concerns related to the Project.

This document serves two purposes: 1) to request that the Developer collaborate with the Coalition directly to formulate and execute a Community Benefits Agreement for the Project; and, 2) to provide a broad overview of the terms the Coalition would like to include in a Community Benefits Agreement. The goal of the proposed CBA is to maximize the Project’s benefits to the current residents of the project site, while offering the Developer broad community support, including but not limited to access to local workforce development pipelines, support of zoning changes or requests for public funds to help move the project forward.

The Coalition seeks a CBA with key principles including:

- Local hiring policies, fair wages, employment training programs, and support of MBEs/WBEs/DEBs during construction phases of development;
- Affordable housing that is attainable to families incomes in the current, surrounding community;
- Access to, training in, and support of technology initiatives in the Community;
- Environmental safeguards, amenities, and transportation plans that protect human safety and local wildlife, preserve open space, maximize use of land through duration of the project, and preserve the character of arterial streets;
- Creation of a Community Center for education and betterment of local residents; and
- Creation of a Community Board to ensure CBA compliance through duration of Project.

These CBA principles are discussed in some detail below. We look forward to continued dialogue and negotiation with the Developer on these issues and a final Community Benefits Agreement for the Project.

Overview of Proposed Terms:

Below is a non-exhaustive list of the Coalition's broad goals:

Good Jobs First: Local Hiring, Training, Fair Wages, & Employer Accountability

- Targeted local hiring practices for zip codes 60617, 60649, 60633, 60637, 60619, and 60615, with a focus on community members who are under- or unemployed individuals, minorities, women, people with disabilities, formerly incarcerated individuals, or veterans (collectively "Priority Applicants").
- A commitment that 25% of full-time hires in first two years will be from the Priority Applicants, and 51% will be every year thereafter.
- Incentives for contractors to hire Priority Applicants, including use of "virtual dollars" in the competitive bidding process to incentivize contractors who honor the CBA.
- Actively promote participation of Minority, Women, and Disadvantaged Business Enterprises (MBEs, WBEs, and DBEs) through financial assistance, contract requirements with prime and subcontractors, working with local government to enhance programs for MBEs, WBEs, and DBEs, and unbundling contracts to open bidding opportunities.
- Requiring all contractors, subcontractors, and tenants to pay their employees a living wage, to be calculated annually based on federal poverty guidelines.
- Requiring prospective tenants to disclose violations of labor relations, workplace safety, employment discrimination, or other workplace-related laws prior to signing a lease, and requiring the developer to reasonably weigh any such violations against a tenant in their selections process.

Affordable Housing

- 30% of all housing should be affordable housing built on-site, of which a significant portion should be dedicated to families in the 30-50% AMI range (based on average incomes of the existing community).
- Dedicate at least 50% of the affordable housing to 3-4 bedroom units to reflect the current needs of the community for family housing
- Not more than 25% of the total affordable housing units to be senior housing.
- The affordable housing should be a mix of subsidized and unsubsidized units, and should be integrated with market rate housing.
- An initiative (through the City of Chicago's land trust or other deed-restrictive measures) to stabilize property taxes for existing, long time (10+ years) homeowners.
- Reservation and allocation of TIF funds to affordable housing programs and support.

Technology Support

- Developer support of programs and development which supports broadband connectivity and access, tech-driven training programs, and acquisition of technology resources for local schools.

Environmental Protections

- Conduct regular testing of local waters, including the barge slip, for pollution and safety.
- Testing the site, including the former power plant, for PCBs, oil and other contaminants.
- Install dust monitors in neighborhoods for duration of construction to ensure safety of the community.
- Provide vegetation, seeding, urban forestry, and amenities such as bike-paths, wildlife areas, open spaces, and parks, in large un-vegetated and/or undeveloped areas of the site, during and throughout all phases of construction.
- Maintain the vacant land as green space until development begins to aid in air quality.
- Notify residents when Developer-owned properties, US Steel properties or neighboring properties are to be sprayed with pesticides.
- Hire local residents of the Bush neighborhood to serve as Environmental Ombudsmen.
- Create a transportation plan that preserves the character of arterial streets and does not displace residents.
- Protect public access to the lakefront, respecting to the 1909 Burnham Chicago Plan.

Community Center / Youth & Adult Education

- Support construction of a Community Center, to provide training, education, and safe place for youth and adults to socialize. Program focus on technology, art, drama, health & education, and a movie theater.
- Provide connections to Project partners to facilitate STEM programs geared towards increasing high school graduation rates, college entry, and job readiness.

Closing

In summary, the Coalition—which represents a broad spectrum of the community surrounding the South Works site—has been working tirelessly towards the end of creating a Community Benefits Agreement that accurately reflects the needs of the community as a whole. We look forward to working with you in the coming months to draft and complete an agreement that will work to everyone's benefit and help ensure the success of this prodigious Project for the entire community.

Contacts for the Coalition for a South Works CBA:

Amalia NietoGomez
Executive Director
Alliance of the SouthEast
9204 S. Commercial Ave., Ste. 301
Chicago, IL 60617 (773) 800-0322 (cell)
amalia@asechicago.org

Allegra Cira Fischer, Staff Attorney
The Law Project of the Chicago Lawyers'
Committee for Civil Rights
100 N. LaSalle, Suite 600
Chicago, IL 60602
(312) 202-3646
afischer@thelawproject.org