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## Chicago Rehab Network Update on the Olympic Village Chicago 2016 Affordable Housing Advisory Committee

The Chicago Rehab Network's participation in Chicago 2016's affordable housing advisory committee has provided an opportunity to air concerns about affordability as well as to learn a great deal more about the plans for the Olympic Village than are provided in the Bid Book. A summary of that information follows below.

- The Olympic Village plan portrayed in the bid book is not finalized. Rather, the drawings, financing details, and site plans represent *one option* for the Games that demonstrates financial solvency to the International Olympic Committee.
- Though details are not finalized, the current plan calls for the creation of 2280 units of zero to three bedrooms spread across 21 thirteen-story towers over the 18-acre south half of the Michael Reese Hospital site. These towers will house approximately 16,000 athletes and officials.
- The approximate breakdown of these units is: 10% Studio, 40% 1 bedroom, 40% 2 bedroom, 10% 3 bedroom. Post-Games plans currently call for 18-19 of the 21 towers to be sold primarily as condo units with a price point of \$400-450,000. The other towers will be student housing
- Chicago 2016's market research, provided by URS and S.B. Friedman, advises an almost exclusively for-sale post-Games use model, offering an absorption rate of 280-350 units per year, and thus an 8-10 year time frame for full absorption of the southern half of the site. Currently, 20% of the units will be set aside for affordable housing.
- The prospective development team would control the entire 37 acre site, which stretches from 26th Street on the north end to 31st Street on the South, and from Cottage Grove to the Lake. During the Games, the north half of the site will consist of a temporary transportation complex and a temporary athletes' plaza.
- The site also includes plans for a pedestrian/automotive bridge over Lakeshore Drive and the Metra racks to connect the Village with the beach. A number of temporary (possibly permanent) facilities like an amphitheater, soccer field, and vending stands will be constructed on the beach. The bridge will be converted to a pedestrian walkway after the Games.
- Regardless of the design, plans call for the development team to deliver a shell-and-core Olympic Village. The Olympic Committee for Operating the Games (OCOG) will then use \$217 million—designated by Chicago 2016 for Olympic Village development in the bid book budget—to ready the units for the athletes.
- The compact preliminary plan—which calls for nearly eight athletes per room—and IOC guidelines require modifications to units unsuitable for a rental or for sale market. During the Games, all rooms in the units will be designated for temporary bedroom space and include limited fixtures. After the Games, the \$217 million budget will cover tear-out, and the developer may resume work on the site, converting units to market-ready models.
- The City will close on the Michael Reese site on June 30 at a price of \$86 million. Medline, the owner of the site, will make a \$32.5 million dollar donation to the City for site remediation. A new TIF district on the Olympic Village site is also expected to help finance the development.
- Construction will begin no later than 2012, before which the City and Chicago 2016 will have a joint RFP for the Village site.