

LIBERTY MORTGAGE & DEVELOPMENT COMPANY

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Dear Evanston residents,

Having been in the real estate industry for 50+ years and having developed affordable housing for the past 25+ years, I would like to make the following points:

- I can appreciate that Mayor Biss and some members of the City Council might like to promote more affordable housing, which is a noble idea, but there is a right way and a wrong way to create affordable housing – Eliminating R-1 zoning is the wrong way to create affordable housing.
- Most knowledgeable and experienced developers of affordable housing would oppose eliminating the R-1 zoning as a method of creating affordable housing.
- 4-unit buildings do **not** have the necessary economies of scale to justify their construction as a means of creating affordable housing.
- The best way to develop affordable housing is by constructing mid-rise residential buildings in appropriate locations, which would be financed with Section 42 financing (a program under the IRS) along with other financing programs. 90% of all affordable housing in the United States is made possible through Section 42 financing.
- It is essentially impossible to construct affordable housing by merely changing R-1 zoning to R-3 zoning. Any 4-unit structures would be sold or rented as market-rate housing, unless the developer/owner is willing to basically gift his/her money to the project. Such 4-unit structures as affordable housing are economically unfeasible.
- A person who is willing to donate his/her money to affordable housing would be better off contributing his/her money to the construction of a mid-rise residential building where the economies of scale and the necessary financing have a chance at making such affordable housing possible and hire quality, professional property management.
- Financing methods to make such 4-unit housing units affordable do not exist. Such financing only exists in meaningful quantities for large buildings because of the economies of scale needed to make affordable housing a reality. Also, professional property management is only available for buildings larger than a 4-unit building.
- The City has wasted taxpayers' money in the commissioning of a study from a consultant who was essentially hired to write a report that would justify this proposed zoning plan. The consultant was not objective.
- Any knowledgeable, ethical consultant would **not** write a report to justify this zoning change as a method of creating affordable housing.
- For various reasons, a smart municipality is going to build only sufficient affordable housing to meet the needs of its existing residents who essentially already work or are needed to work in the municipality. Because there is a cost of affordable housing to the municipality, it doesn't make sense to develop excess affordable housing that essentially benefits other municipalities. Each municipality needs to build its own share of affordable housing that will be occupied by the residents who work or will work in that municipality.

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- Biggest is not best -- Increasing the population of Evanston is not necessarily good. As the population grows, the cost of City services will also grow, as well as the problems of governing a larger city.
- Evanston already has a significant number of multifamily buildings abutting single-family homes. To suddenly pass legislation that will basically result in a path to the elimination of most single-family homes in Evanston is not good. And once this higher-density zoning legislation is passed, history has proven that it is nearly impossible to reverse such zoning.
- We have all seen how population growth has contributed to the problems for our planet.
- In 1970, the International Olympic Committee awarded Denver the 1976 Winter Olympics, but later, the Colorado voters turned down those Winter Olympics. Most Colorado voters did not want the growth that would be created by the Winter Olympics.
- It would be a shame to have single-family homes (especially the many attractive and historic and architecturally significant single-family homes) demolished and replaced with unattractive 4-unit buildings. If those 4-unit buildings were designed to be attractive, then those attractive designs and the resulting construction costs would make such 4-unit buildings even more economically unfeasible as affordable units.
- People have moved to Evanston because they love the character and ambiance of Evanston, an environment that has existed for more than a century. For the City Council to suddenly and radically change the character of Evanston is unfair to those residents who have chosen to live in Evanston, and especially for those residents who have invested in the most valuable asset they own -- their home.
- At the beginning of this process, there was mention that this proposed zoning plan was supposed to be modelled after those plans of San Francisco and Minneapolis. However, Evanston is neither San Francisco nor Minneapolis. Among other things (using 2023 population numbers):
 - Evanston is a small city (of only 75,050) in a large metropolitan area of 8.937 million.
 - San Francisco and Minneapolis are large cities surround by small cities and towns.
 - San Francisco is 808,988 with a metropolitan area of 4.57 million.
 - Minneapolis is 425,115 with a metropolitan area of 3.71 million.
- Also, San Francisco and Minneapolis have their own set of unique problems.
- Additionally, there is always a way to build a better mousetrap, and eliminating the R-1 zoning is not a way to build a better mousetrap.
- I would be willing to donate my time, expertise, and effort to the City of Evanston to help the City create affordable housing, assuming there is a need for more affordable housing and assuming the City Council does not eliminate the R-1 zoning.
- In the meantime, the mayor, and City Council, and the City staff should spend their time finding ways to reduce government expenses and make Evanston a better place to live.

Respectfully,


Alf McConnell

- Born in Evanston Hospital 81 years ago (1943)
- Parents and grandparents lived in Evanston
- Attended Willard Elementary School, Haven Middle School, and Evanston Township High School
- Undergraduate and graduate school, University of Wisconsin, Madison
- Winner in a national development competition for the best affordable housing development in the nation
- Raised more than a million dollars for Evanston Township High School
- Developed & raised \$60 million for an affordable housing community owned by a non-profit