

STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

CERTIFICATE

I, Jennifer Rampke, the duly authorized, qualified and Executive Secretary of the **Community Development Commission of the City of Chicago**, and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a Resolution adopted by the **Community Development Commission of the City of Chicago** at a Regular Meeting Held on the 9th day of March 2004 with the original resolution adopted at said meeting and recorded in the minutes of the Commission, and do hereby certify that said copy is a true, correct and complete transcript of said Resolution.

Dated this 9th Day of March 2004


EXECUTIVE SECRETARY
Jennifer Rampke

04-CDC-14

**COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO**

RESOLUTION NO. 04 - CDC - 14

**AUTHORITY TO NEGOTIATE A
REDEVELOPMENT AGREEMENT WITH
NORTH CENTER SENIOR HOUSING, L.P.,
NORTH CENTER SENIOR , LLC
AND/OR ENTITY TO BE FORMED
WITHIN THE
WESTERN AVENUE SOUTH REDEVELOPMENT PROJECT AREA,**

AND

**TO RECOMMEND TO
THE CITY COUNCIL OF THE CITY OF CHICAGO
THE DESIGNATION OF
NORTH CENTER SENIOR HOUSING, L.P.,
NORTH CENTER SENIOR , LLC
AND/OR ENTITY TO BE FORMED
AS THE DEVELOPER**

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (the City Council referred to herein collectively with the Mayor as the "Corporate Authorities") as codified in Section 2-124 of the City's Municipal Code; and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.), (as amended from time to time, the "Act"); and

WHEREAS, the City Council, upon the Commission's recommendation pursuant to Resolution 00-CDC-64 and pursuant to the Act, enacted three ordinances on 8/30/2000 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the Central West Redevelopment Project Area (the "Area"), designated the Area as a redevelopment project area and adopted tax increment allocation financing for the Area. The street boundaries of the Area are described on Exhibit A hereto; and

WHEREAS, North Center Senior Housing, LP an Illinois limited liability company, and North Center Senior, LLC and/or entity to be formed (the "Developer"), has presented to the

City's Department of Planning and Development ("DPD") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan. The proposal consists of the development will include three buildings constructed for affordable housing for seniors. There will be a central green space and a neighborhood park on the campus. The TIF funding will assist in the costs for demolition of 2 buildings. environmental remediation and the construction of a "central green" space and public park.

WHEREAS, DPD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; now, therefore,

BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO:

- Section 1. The above recitals are incorporated herein and made a part hereof.
- Section 2. The Commission hereby recommends to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.
- Section 3. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.
- Section 4. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 5. This resolution shall be effective as of the date of its adoption.
- Section 6. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: March 9, 2004

Attachment: Exhibit A, Street Boundary Description

EXHIBIT A

Street Boundary Description of the Central West Tax Increment Financing Redevelopment Project Area

The Western Avenue South Redevelopment Project Area consists approximately of 584 tax parcels and 408 buildings on 57 blocks and contains approximately 254 acres of land. Included within the boundaries of the RPA are certain properties along:

- * The east and west sides of Western Avenue between Montrose on the north and Roscoe on the South;
- * The east side of Western Avenue between Roscoe on the north and Belmont on the South;
- * The east side of the North Branch of the Chicago River between Berteau on the north and just north of Grace on the South.
- * The east half of the North Branch of the Chicago River between Addison on the north and Belmont on the South;
- * The north and south sides of Irving Park between the North Branch of the Chicago River on the west and Ravenswood on the east;
- * The south side of Montrose Avenue from Campbell Avenue on the west to approximately 106 feet east of Western Avenue on the east;
- * The east and west sides of Lincoln Avenue between Warner on the north to Byron on the south; and
- * The east and west sides of Damon Avenue between Belle Plaine on the north to Byron on the South.

Street Address and Area Boundaries of the proposed Project

The Site address is 4201-35 North Western Avenue. The Site located between Irving Park to the South, Belle Plaine to the North, Western Avenue to the West and Oakley to the East.

**CITY OF CHICAGO
COMMUNITY DEVELOPMENT COMMISSION**

March 9, 2004

SUMMARY SHEET

Action Requested:

- 1) Grant authority to the City of Chicago to negotiate a Redevelopment Agreement with the North Center Senior Housing LP and North Center Senior LLC and/or a related entity to be formed (the "Developer"), for the use of incremental tax revenues and/or tax increment revenue bond proceeds for the development of the North Center Senior Apartments 2324 W. Irving Park Road (the "Property"), within the Western Avenue South Redevelopment Project Area (the "Area") and;
- 2) Recommend to the City Council of the City of Chicago the designation of North Center Senior Housing LP and North Center Senior LLC and/or a related entity to be formed (the "Developer"), as the developer of the Project located within the boundaries of the Area

Project :

The Developer, North Center Senior Housing LP and North Center Senior, LLC plan to develop a Senior Affordable Housing Campus that will consist of three residential buildings. Advocate Health and Hospitals Corporation plans to donate more than 5 of its 7.5 acre campus to non-profit housing developers. There are two vacant buildings on the campus that are to be demolished and the land is being donated to the development team "as is". The Developer plans demolish 2 vacant building and remediate the Site. The campus will consist of 3 buildings for Senior Affordable Housing and have one central green area in the middle and a public park. TACH (Technical Assistance Corporation for Housing) will act as master developer and oversee the development. The following information includes the breakdown of the campus:

TACH has negotiated a land donation with Advocate for 2 parcels. The parcel is 1.66 acres and is located at the Southeast corner of Oakley and Irving in order to build senior affordable housing. They will construct a 5 story building with 104 units composed of studio, one bedroom, and 2 bedroom rental apartments.

CCHDC (Catholic Charities Housing Development Corporation) has negotiated a land donation agreement with Advocate for 1 parcel. The parcel is 1.54 acres and is located on the west side of Oakley Avenue in order to build senior affordable housing. They will construct a 4 and 5 story brick structure composed of studio and 1 bedroom rental apartments for seniors under the HUD Sect. 202 program.

The third site developer is to be determined but will also include a 100 unit structure no more that 5 stories. This building too will accommodate senior affordable living and is located at on the north end of the campus along Belle

Plaine.

There will be a "central green" area in the middle of the campus that is .46 acres and will be shared by the residents in the 3 building. A not-for-profit entity will be formed by the three development entities and in turn be responsible for the maintenance and assessments.

A neighborhood park will be located at the northeast corner of Belle Plaine and Oakley. The cost of the maintenance will also go to the not-for-profit entity formed for the "central green" area.

Type of Development: Residential

Location: The Site is currently occupied by Advocate Health and Hospitals Corporation and is located between Irving Park to the South, Belle Plaine to the North, Western Avenue to the West and Oakley to the East. The Site is located in the Western Avenue South TIF. It is currently a 7 acre campus and Advocate will be donating 5 acres to the Development team.

Developer: North Center Senior Housing, LP
North Center Senior, LLC

Assistance: The Developer is requesting \$2,000,000 in Tax Increment Financing up-front from the Western Avenue South TIF and \$2,000,000 from the Project's PINs on a "pay-as-you-go" basis.

Alderman/Ward: Alderman Eugene Shulter,

Issues: None

Public Benefits:

- * Affordable Housing for Seniors
- * Economic Investment
- * Development of an underutilized site

M/MBE:

The developer will adhere to the City of Chicago requirements for both the Minority Business Enterprises and Women Business Enterprises.

Community Outreach:

A public hearing was held in July, 2002 with more than 800 people in attendance. A master plan of development was approved and an approved PD ordinance was approved by City Council in February 2003. Alderman Shulter is in full support of the project.

Staff Report
Department of Planning and Development
Community Development Commission
March 9, 2004

MS.VICE CHAIRMAN AND MEMBERS OF THE COMMISSION:

The resolution before the Commission requests the following actions:

- 1) Grant authority to the City of Chicago to negotiate a Redevelopment Agreement with the North Center Senior Housing, L.P. and North Center Senior, LLC and/or a related entity to be formed (the "Developer"), for the use of incremental tax revenues and/or tax increment revenue bond proceeds for the development of the North Center Senior Apartments (the "Property"), within the Western Avenue South Redevelopment Project (the "Area") and;

- 2) Recommend to the City Council of the City of Chicago the designation of North Center Senior Housing, L.P. and North Center Senior, LLC and/or related entity to be formed as the developer of the Project located within the boundaries of the Area.

Background:

The Site is currently occupied by the vacated buildings of the Advocate Health and Hospitals Corporation and is located between Irving Park to the South, Belle Plaine to the North, Western Avenue to the West and Oakley to the East. The Site is located in the Western Avenue South Redevelopment Project Area. The North Center, Lincoln Square and Ravenswood neighborhoods in the 47th Ward have been in need of affordable senior living and a task force was formed to address the issue. The task force identified that there was a shortage of suitable land in the area. After an extensive search, Alderman Schulter and his ward office began negotiations with Advocate Health and Hospitals Corporation regarding a land donation on its Ravenswood / Martha Washington hospital campus located at Western Avenue and Irving Park Road. The discussions resulted in Advocate Health and Hospitals Corporation agreeing to donate more than 5 of its 7.5 acre campus to non-profit housing developers. There are two vacant buildings on the campus that are to be demolished and the land is being donated to the development team "as is". The donated land will be developed into three (3) senior affordable housing projects and related facilities. The two buildings owned and operated by Advocate will remain at the corner of Irving Park and Western.

Development Team

The development team is composed of several development entities:

North Center Senior Housing, L.P.

North Center Senior Housing, LP is an Illinois limited partnership formed for the purpose of developing and owning the 104 unit tax credit building called the North Center Senior

Apartments. The general partner of this Limited Partnership will be an Illinois limited liability company named *North Center Senior, LLC* whose three principal members are:

- * TACH North Center Development Corporation, N.P. an Illinois non-profit corporation formed and controlled by TACH (Technical Assistance Corporation for Housing)

- * Sheldon L. Basin for over thirty years has been a principal member in over 150 multifamily housing developments containing more than 33,000 apartments in addition to in addition to a member of office, retail, hotel and loft properties.

- * Henry Hyatt also has 30 years experience in housing and real estate developments. He has participated in the development and ownership of 23 projects with more that 4,000 housing units as well as office, historic home, resort restoration and retail projects.

- * The limited partner of the LP will be investors who have not yet been identified.

TACH Development Company LLC (and/or entity to be formed)

On behalf of the North Center Senior Housing, LP and the developer of the other two sites, this entity will be the Master Developer for the remediation, demolition, common green space, and corner park. This will be a wholly owned entity of TACH, an Illinois non-profit corporation. This entity is not yet formed.

TACH (Technical Assistance Corporation for Housing) is a not-for-profit corporation devoted to the development of, management, and preservation of low and moderate income rental housing. They have a 30 year history in which they operate as owner/developer, consultants and joint ventures with other developers. Ralph Brown acts as CEO and President. TACH has constructed other affordable residential projects such as Paul G. Stewart Apartments located at 4100 S. King Drive and Nathalie Salmon House on 7320 N. Sheridan.

Architect

Lakoda Group, a Chicago based firm established in 1993, is a team of professionals in providing services in Planning, Urban Design, Landscape Architecture and Community Relations. The Lakoda Group is widely recognized for their large-scale land planning and design projects for Commercial, Industrial, Medical, Institutional and Residential campuses and corridors. They have worked on projects such as the Master Plan for US South Works and the Illinois Medical District.

Financing

Other funding sources include:

City of Chicago, Dept. of Housing - Tax Credits and 2nd Mortgage loan
City of Chicago, Donation Tax Credits
Developer's Mortgage Co., first mortgage loan (FHA insured)
Federal Tax credit purchase - Bank of America and Bank One

Proposed Project:

As previously mentioned, Advocate Health and Hospitals Corporation will donate more than 5 acres of its 7.5 acre campus to the development team in order to construct 3 buildings specifically designed for affordable senior living. The recipients of the land donations will include:

Technical Assistance Corporation for Housing (TACH) has negotiated a land donation with Advocate for 2 parcels. One parcel is 1.66 acres and is located at the Southeast corner of Oakley. On this parcel, the Developer will construct a 5 story building with 104 units composed of studio, one bedroom, and 2 bedroom rental apartments. The other parcel is .18 acres, is located at the northeast corner of the campus at Belle Plaine and Oakley and will be a neighborhood park.

Catholic Charities Housing Development Corporation (CCHDC) has negotiated a land donation agreement with Advocate for 1 parcel. The parcel is 1.54 acres and is located on the northeast end of the campus and west side of Oakley Avenue in order to build senior affordable housing. They will construct a 4 and 5 story brick structure composed of studio and 1 bedroom rental apartments for seniors under the HUD Sect. 202 program. (Catholic Charities Housing Development Corporation is not included in this TIF request nor will they apply for TIF in the future.)

There is a third parcel which is 1.32 acres. The developer for third building has not yet been selected; however, the development will include a 100 unit structure no more than 5 stories. This building too will accommodate senior affordable living and is located at on the north end of the campus along Belle Plaine.

The Project consists of the construction of a 104-unit affordable senior housing building called "North Center Senior Apartments" and will be developed and owned by "North Center Senior, LP". The Project will also include the demolition of two existing vacant structures, and the construction of common green space and a public park for the entire 3-building senior campus. "TACH Development Company, LLC" will be responsible for this part of the development

There will be a "central green" area in the middle of the campus that is .46 acres and will be shared by the residents of the 3 buildings. A not-for-profit entity will be formed by the three

development entities which will be responsible for the maintenance and assessments. The cost of the maintenance for the neighborhood park will also be under taken by a not-for-profit entity formed for the “central green” area.

Demolition of 2 buildings and remediation will be the first step in the development of the campus. Because the land is being donated by Advocate “as is” before this demolition can take place, there is a need for environmental remediation, largely to remove asbestos hazards in the old buildings. In order to manage this portion of the Project, TACH has formed a developer entity to act as “Master Developer” and will be called, “TACH Development Company, LLC” (and/or Development entity to be formed). TACH will be the sole member of this LLC and will take on all of the responsibilities associated with the remediation, demolition, common green space, and corner park.

The second portion of the Developer’s request for financial assistance involves the construction of the “North Center Senior Apartments” which will be owned by “North Center Senior Housing, LP”. The building will be 5-stories, 103,162 Square feet with 74,851 square feet of rentable area and is located on the 1.66 acre parcel at the southeast end of the campus. The structure is made of wall bearing masonry, with a flexicore structure and is fully sprinklered. There will be approximately 4,200 square feet of common area space which will include, a meeting room, game room, exercise room, wellness center, beauty salon and warming kitchen. There will also be approximately 600 square feet of patio space. The building will contain 103 rental units (+1 for staff member) and 52 parking spaces. The unit breakdown is detailed as follows:

<u>Unit Size/Type</u>	<u>50% of Median Units Rents</u>	<u>60% of Median Units Rents</u>	<u>Market Rate Units Rents</u>
Studio 450 Sq Ft	4 \$495		
1 Bedroom 600-650 Sq. Ft.	38 \$550	33 \$610	16 \$695
2 Bedroom 950 Sq. Ft.		8 \$795	4 \$895
Total	42 (41%)	41 (40%)	20 (19%)

11 of the units are handicap accessible and 93 of the units are handicap adaptable. There are 20 market rate units and 83 affordable units in all which makes over 80% of the units at 60% of AMI and lower. This proposal has been reviewed by the Department of Housing and will comply with all affordable housing standards set by DOH.

Deal Structure:

The Department of Planning and Development proposes to provide assistance in Tax Increment Financing and the assistance will have two components.

1) The first portion of the request totals \$2,000,000 and will be disbursed directly from increment available in the Western Avenue South TIF. This amount will be disbursed to the Master Development entity, "TACH Development Corporation" (and/or entity to be formed) which was created specifically for the North Center Senior Campus project. This subsidy will assist in the demolition of two buildings, extensive environmental remediation, and development of common green space and a public park. The total cost for this work is approximately \$3 million of which \$1,000,000 will be paid for by the 3 development entities TACH, Catholic Charities and the 3rd Developer to be determined. The City will assist with the additional \$2 million in TIF- eligible expenses.

2) The second portion the Developer's TIF request will be a pay-as-you-go subsidy for 100% of the increment generated by the building's PINs. These funds will be distributed to North Center Senior Housing, LP. This entity will construct and own the North Center Senior Apartments. North Center Senior Housing, LP has filed and qualified for a "Class 9" assessment status which will effectively cut their real estate taxes by 50%. The approximately \$2,000,000 that will be reimbursed to the Developer for TIF eligible expenses, will be used for the payment of debt service on a mortgage with a principal of \$3,000,000. The developer will be reimbursed for any increment generated by the North Center Senior Apartment's PINs.

Sources and Uses

Sources

HUD 1 st Mortgage	\$3,000,000
DOH Loan 2 nd Mortgage	4,266,200
FHLB 3 rd Mortgage	500,000
Equity	
Donation Tax Credit	1,114,000
LIHTC	5,876,000
Additional TIF	<u>2,000,000</u>
Total	\$16,756,200

Uses

Demolition	\$ 500,000 *
Construction	13,201,500 *
Soft Costs	2,056,000
Developer Fee	<u>998,700</u>
Total	\$16,756,200

* Includes demolition and clean up of vacant senior campus buildings and construction of central green space and neighborhood park.

* Includes demolition and clean up of vacant senior campus buildings and construction of central green space and neighborhood park.

Project Schedule:

* TACH - Spring 2004.

* Catholic Charities Fall 2004.

* Third developer - TBD.

* Demolition and remediation on donated sites should begin as soon as possible.

Conformance with the Plan:

The Project site is located in the Western Avenue South Redevelopment Project Area and was designated in September, 1999.

The Project conforms with the Plan and reaches objectives such as :

- * Facilitating the assembly, preparation and marketing of vacant and underutilized sites for new retail, commercial, and residential development.
- * Encourage the development of senior housing.
- * Facilitate the rededication of environmental problems to provide additional land for new retail, commercial or residential development and redevelopment.
- * Providing opportunities for women-owned, minority-owned, and locally-owned businesses to share in the job and construction opportunities associated with the redevelopment of the Central West RPA;

Community Outreach:

A public hearing was held in July, 2002 with more that 800 people in attendance. A master plan of development was approved *and* a PD ordinance was approved by City Council in February 2003. Alderman Schulter is in full support of the project.

Public Benefits:

The public benefits of this development are:

- * Affordable Housing opportunities for Seniors
- * Environmental Remediation
- * Creation of Green Space

This project presents a tremendous public benefit to the community that identified a real need for

affordable senior living. The North Center Senior Campus will offer a unique affordable housing opportunity to seniors in a beautiful campus setting. The central green area and public park are an added benefit to the residents and the neighboring community. There will be extensive environmental cleanup associated with the project which benefits the community as well.

WBE/MBE:

The developer will comply with all the requirements regarding the use of minority and women-owned business contractors for the construction/build-out of the Project. In February of 2004 the Developer notified eight minority and women-owned business associations, by certified mail, of their intent to develop this project.

RECOMMENDATION:

The resolution before the Commission requests the following actions:

- 1) Grant authority to the City of Chicago to negotiate a Redevelopment Agreement with the North Center Senior Housing, L.P. and TACH Development Corporation, or a related entity to be formed (the "Developer"), for the use of incremental tax revenues and/or tax increment revenue bond proceeds for the development of the North Center Senior Apartments (the "Property"), within the Western Avenue South Redevelopment Project (the "Area") and;
- 2) Recommend to the City Council of the City of Chicago the designation of North Center Senior Housing, L.P. and North Center Senior, LLC and/or related entity to be formed as the developer of the Project located within the boundaries of the Area.

CITY OF CHICAGO

WESTERN AVENUE SOUTH




TIF DISTRICT

MAP 4F

CONSERVATION FACTORS MAP

DELETERIOUS LAND USE OR LAY-OUT

LEGEND

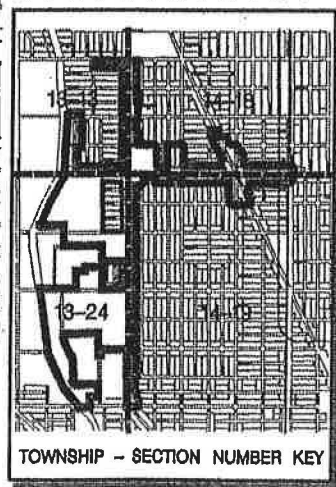
-  TIF BOUNDARY
-  BLOCK NUMBER*
-  DELETERIOUS LAND USE OR LAY-OUT

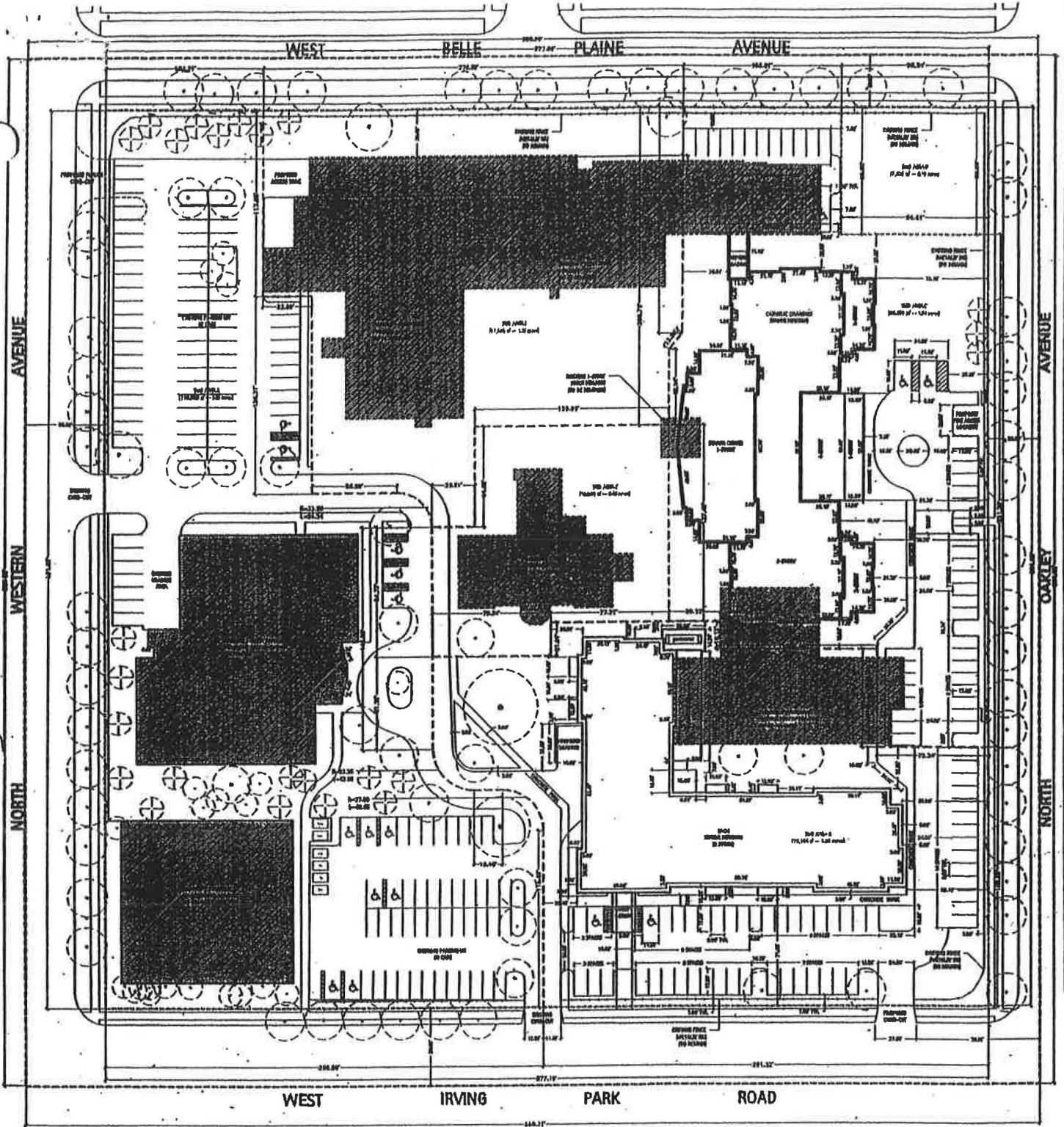
*Based on Cook County Property Index Numbering (P-I-I) System.

September 1999

S. B. Friedman & Company
Real Estate Advisors and Development Consultants

Campbell Tiu Campbell, Inc.
Architects • Planners • Construction Managers



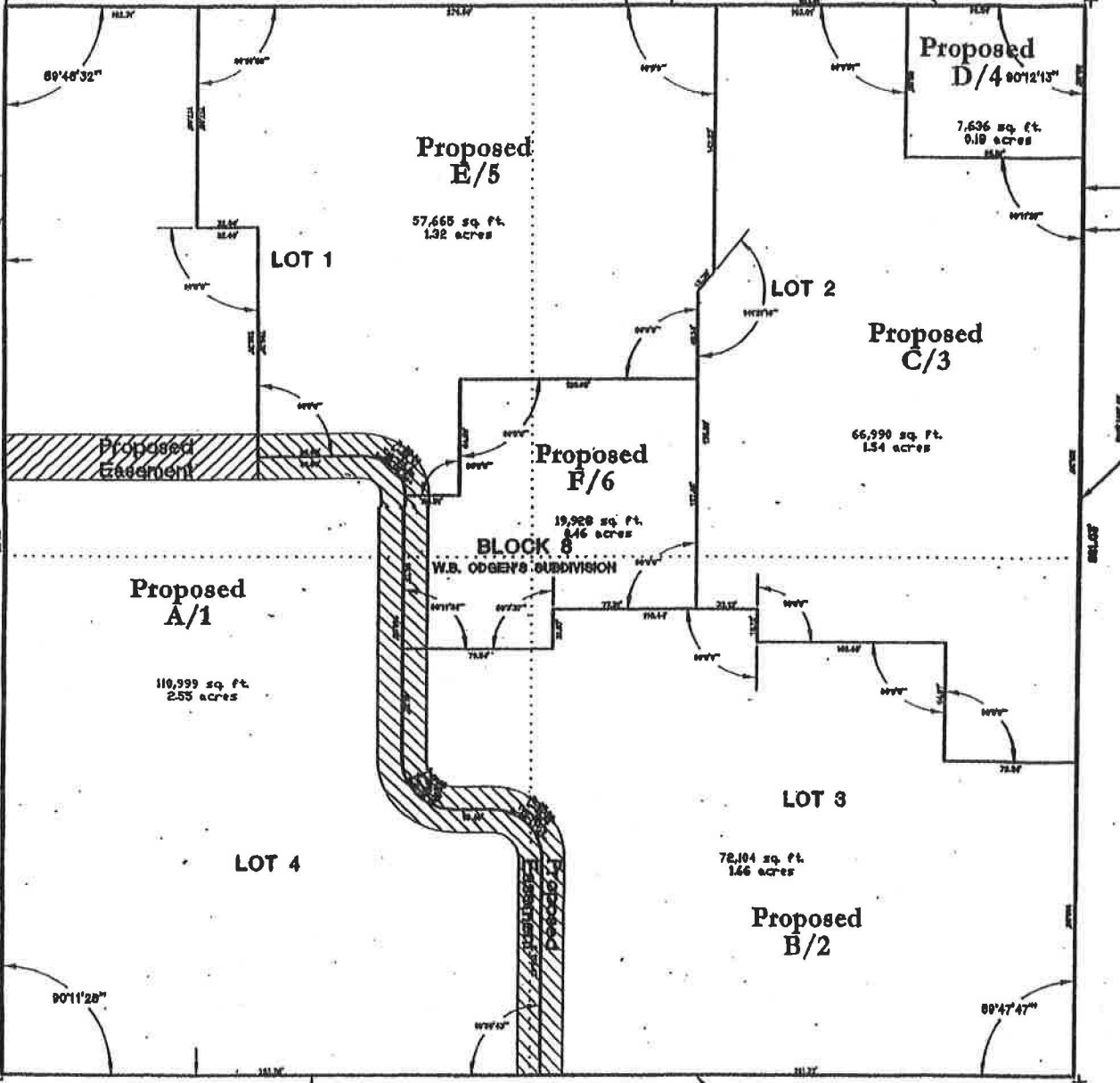


- LEGEND**
- SUN AREA LINE
 - EXISTING METAL FENCE
 - EXISTING BUILDING
 - EXISTING DECIDUOUS TREE (TO REMAIN)
 - EXISTING EVERGREEN TREE (TO REMAIN)
 - EXISTING ORNAMENTAL TREE (TO REMAIN)

Applicant: Eugene Schuler, Alderman 47th Ward
NorthCenter Senior Campus Chicago, Illinois
 Site Plan

LAKOTA
 THE LAKOTA GROUP INC.
 July 31, 2002
 Revised December 12, 2002

WEST BELLE PLANE AVENUE

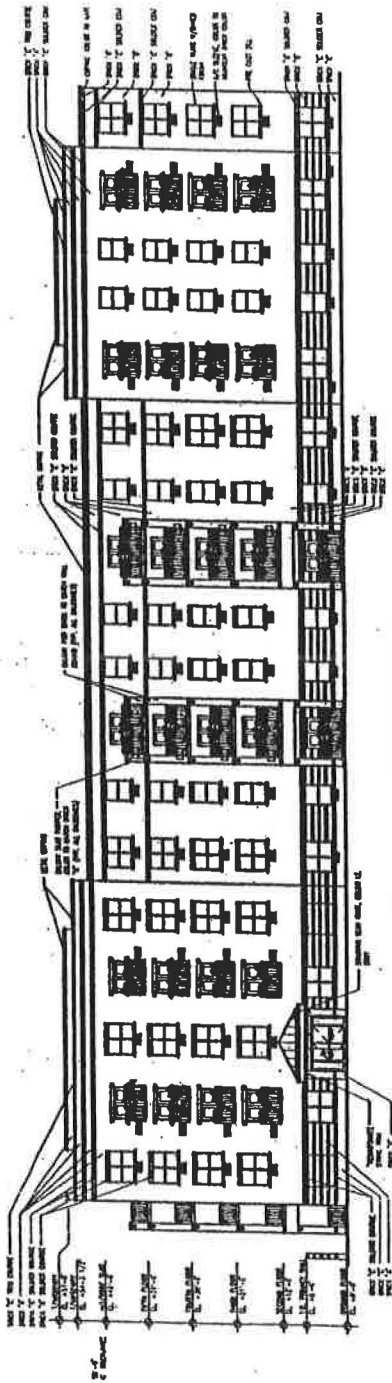


WEST IRVING PARK ROAD

WEST AVENUE

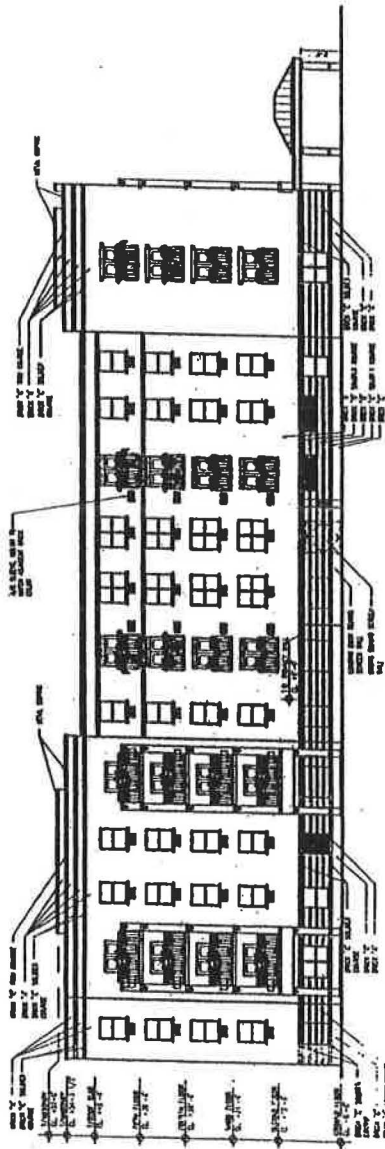
NORTH AVENUE

NorthCenter Senior Housing South
And West Building Elevations.



1 SOUTH ELEVATION

1" = 30'-0"

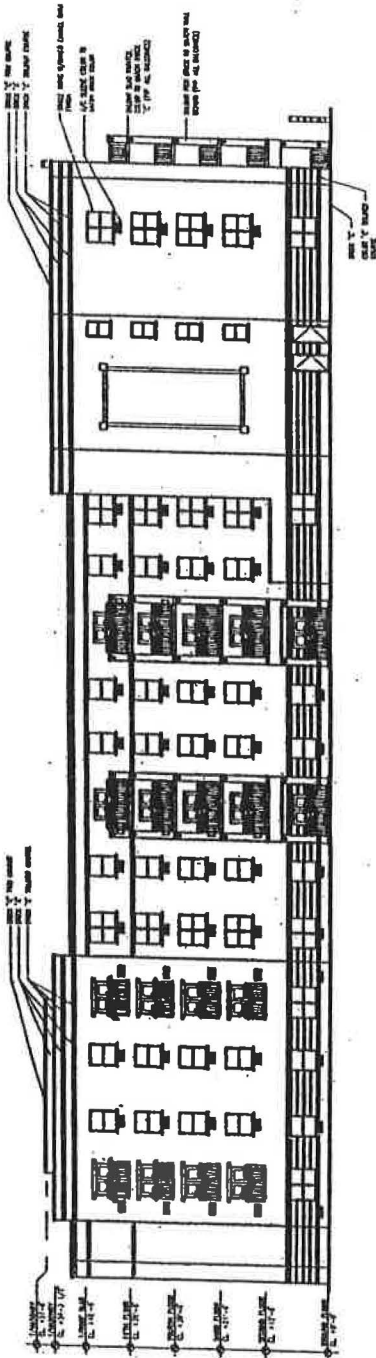


2 WEST ELEVATION

1" = 30'-0"

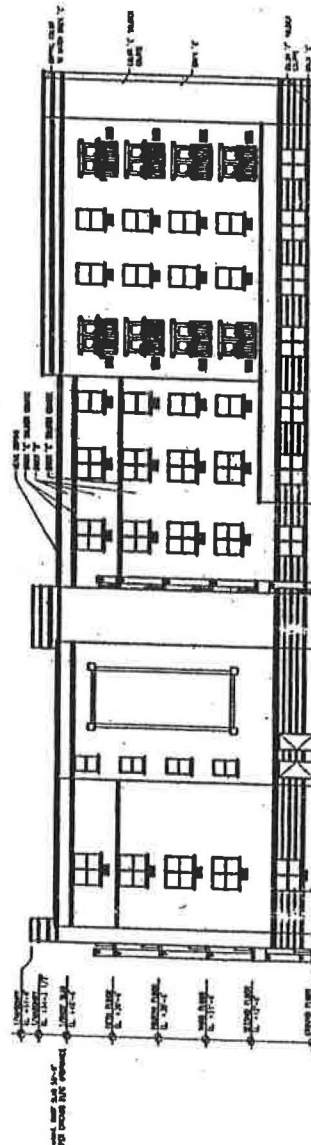


NorthCenter Senior Housing North And East Building Elevations.



1 NORTH ELEVATION

1" = 30'-0"

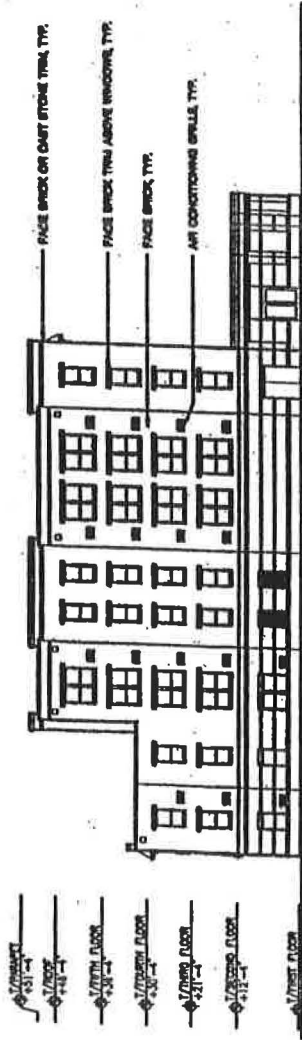


2 EAST ELEVATION

1" = 30'-0"

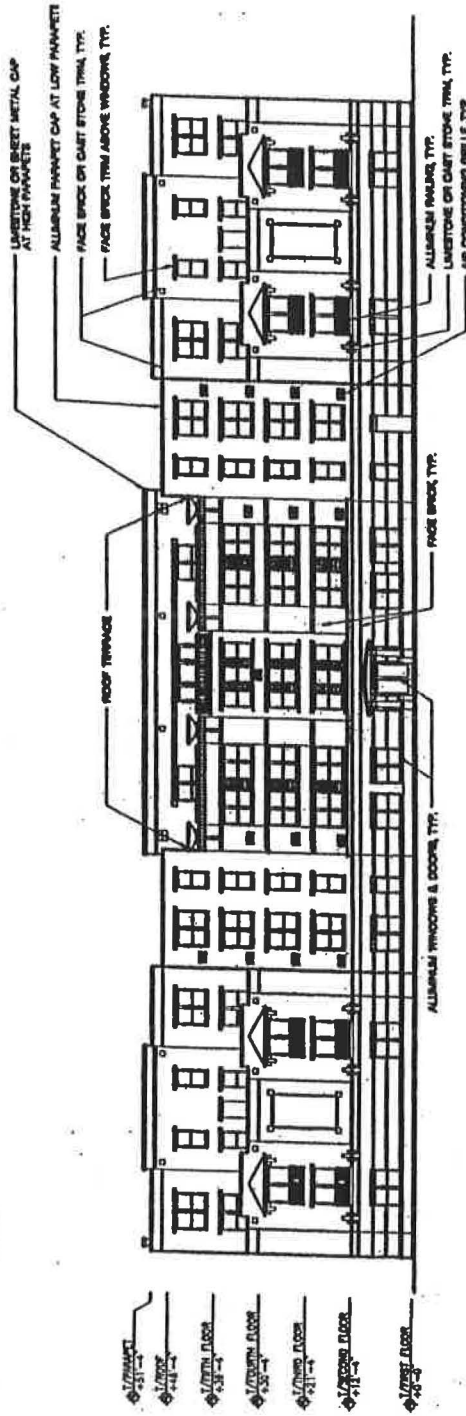


Subarea C East And North Building Elevations.



2 NORTH ELEVATION

1"=30'-0"



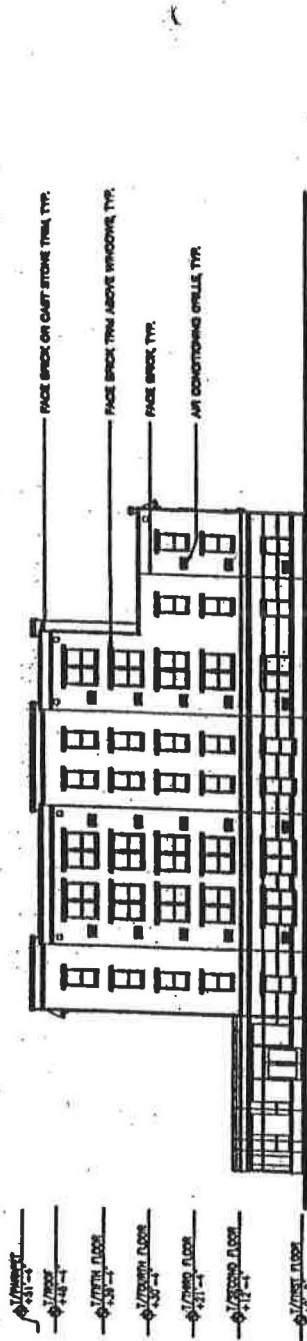
1 EAST ELEVATION

1"=30'-0"

FINAL FOR PUBLICATION

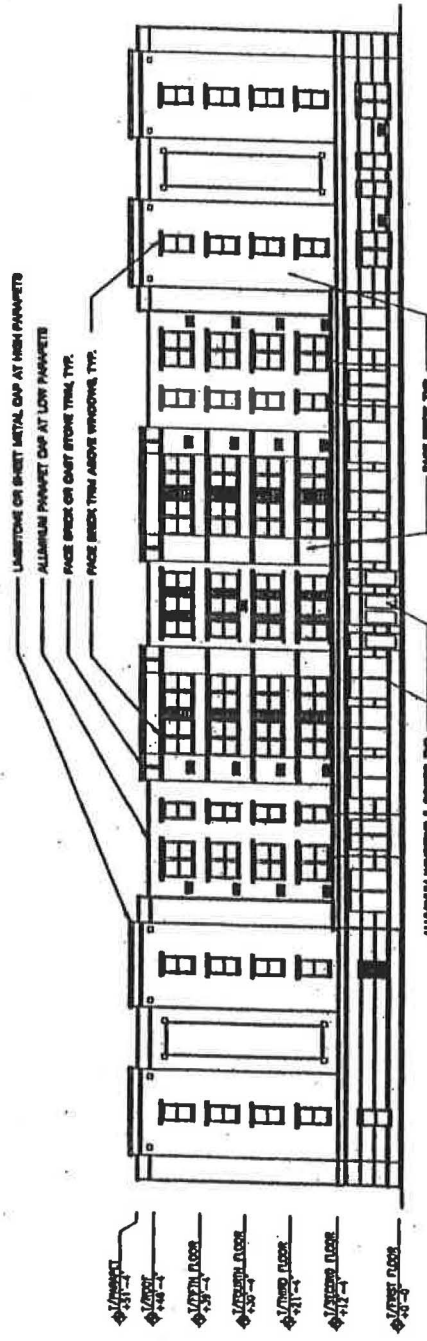


Subarea C West And South Building Elevations.



4 SOUTH ELEVATION

1"=30'-0"



3 WEST ELEVATION

1"=30'-0"

0 15 30 60

NOTE: NUMBER AND TYPE OF WINDOWS MAY VARY

TERM SHEET

Project Description:

As proposed, the North Center Senior Campus will include three buildings constructed for affordable housing for seniors. There will be a central green space and a neighborhood park on the campus. The TIF funding will assist in the costs for demolition of 2 buildings and environmental remediation. Additionally, the North Center Senior apartments will receive any increment generated by the building's PINs.

Sources and Uses

Sources

HUD 1 st Mortgage	\$3,000,000
DOH Loan 2 nd Mortgage	4,266,200
FHLB 3 rd Mortgage	500,000
Equity	
Donation Tax Credit	1,114,000
LIHTC	5,876,000
Additional TIF	<u>2,000,000</u>
Total	\$16,756,200

Uses

Demolition	\$ 500,000 *
Construction	13,201,500 *
Soft Costs	2,056,000
Developer Fee	<u>998,700</u>
Total	\$16,756,200

* Includes demolition and clean up of vacant senior campus buildings and construction of central green space and neighborhood park.

The City, through the Department of Planning and Development (DPD), proposes to provide financial assistance in the Form of Tax Increment Financing to the Developer in two forms of payment. 1) \$2,000,000 in increment available in the Western Avenue South Redevelopment Project Area is to be payed to the "Master Developer" to be formed. 2) Approximately \$2,000,000 to be payed to North Center Senior Housing, LP on a pay-as-you go basis from increment generated from the North Center Senior Apartments.(100% of the increment generated)