



CITY OF CHICAGO • OFFICE OF THE MAYOR



**FOR IMMEDIATE RELEASE**

February 23, 2022

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**NEW DEVELOPMENT WOULD CREATE 58 NEW AFFORDABLE UNITS IN AUBURN  
GRESHAM**

City Council today passed an ordinance that authorizes the issuance of up to \$20,000,000 in Tax-Exempt housing revenue bonds to Evergreen Imagine JV LLC to develop the Auburn Gresham Apartments located at 834-858 W 79th Street. The Auburn Gresham Apartments is the first INVEST South/West project to advance to the DOH application stage. The development will create 58 new construction units and will generate up to 17 new permanent jobs and 100 temporary construction jobs.

Development costs will total roughly \$36.7million. In addition to the use of tax-exempt bonds and the 4% tax credit equity generated from the bonds, other funding will consist of City of Chicago multi-family loan funds, TIF funds, a first mortgage, a seller note, funding from ComEd, a deferred developer fee, and Donation Tax credits generated from the donation of City-owned land. Before full financing approval, the project will require a rezoning (anticipated February 2022), CDC approval for the land sale and TIF assistance (anticipated March 2022), and TIC approval (anticipated January 2022). Plan Commission approval is required for the City land sale.

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**NEXT PHASE OF ABLA HOMES REDEVELOPMENT PLANNED FOR NEAR WEST SIDE**

City Council passed a measure today that authorizes the issuance of up to \$87,000,000 in multi-family mortgage revenue bonds for the next phase of the Roosevelt Square-ABLA Homes redevelopment. Today's passage also authorizes the execution of a TIF Redevelopment Agreement with RS Affordable I LL, authorizes the City to transfer Illinois Affordable Housing Tax Credit (Donation Tax Credits), and authorizes the conveyance of City-owned parcel(s) located at approximately 1221 to 1259 West Roosevelt Road to the Chicago Housing Authority (CHA), its designee, or the developer for the benefit of the



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project known as Roosevelt Square 3B, and designate RS Affordable I LLC as a TIF developer.

Related Midwest was chosen as the master developer for the Roosevelt Square-ABLA Homes redevelopment through a Chicago Housing Authority (CHA) Request for Qualification. As part of the CHA's Plan Forward, Roosevelt Square-ABLA Homes was to produce 2,441 units of mixed-income housing, and approximately 75,000 square feet of retail/commercial space, in six phases on the near west side in the Roosevelt/Racine Tax Increment Financing Redevelopment area. To date, 664 homes have been developed, mixed between rental and for-sale, 30,000 square feet of retail, a 15,000 square foot library, and over two miles of new streets.

This development phase will produce three newly constructed buildings with 207 mixed-income rental units, rehabilitation of the housing museum with 15 mixed-income rental units in the northern portion of the building, and the renovated museum in the southern part, tenant and community amenity, and green spaces, off-street parking. Today's measure also authorizes the conveyance of city-owned parcel(s) located at approximately 1221 to 1259 West Roosevelt Road to the Chicago Housing Authority, its designee, or the developer, under Resolution 06-CDC-76 adopted by the Community Development Commission of the City of Chicago on September 12, 2006, and the rehabilitation of 184 CHA and affordable rental units from phase I.

Total development costs are approximately \$153,968,815. In addition to the use of tax-exempt bonds and the 4% tax credit equity generated from the bonds (approximately \$43,069,000), other funding will consist of \$17 million in TIF to be ported from the Western-Ogden TIF Redevelopment area, approximately \$35.5 million in new and assumed Chicago Housing Authority (CHA) funding, a first mortgage of approximately \$45 million, equity from Illinois Affordable Housing Tax Credits (Donation Tax Credits) of approximately \$2.25 million, generated from the value of the land, a deferred developer fee of approximately \$5 million and approximately \$1 million in transferred reserves from the current Roosevelt Square phase one buildings.

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### **LINCOLN PARK SRO TO BE PRESERVED**

An ordinance that authorizes the issuance of up to \$5,000,000 in multi-family loan funds and designates Covent Apartments LLC., one of its affiliates, or an entity acceptable to DOH Commissioner, as the developer was passed by City Council today. The Covent, located at 2653 N Clark, was one of the first projects preserved under the City's 2014 Single Room



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Occupancy (SRO) Preservation Ordinance, enacted to preserve SRO affordable housing. The project will modernize and preserve 30 affordable units in the Lincoln Park neighborhood, where affordable housing is scarce. All 30 units will target very low-income individuals earning less than 50% of the area median income (AMI), with 25 of the 30 units targeted to households earning no more than 30% of AMI. All units will receive rental subsidies from the Chicago Housing Authority (CHA).

Total development costs are roughly \$21 million. In addition to the City of Chicago multi-family loan funds, other funding will consist of up to \$12 million in tax-exempt bonds issued by the City of Chicago, the 4% tax credit equity generated from the bonds, a first mortgage, a loan from the IHDA Trust Fund, a grant from ComEd, and equity generated from historic tax credits.

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### **NEW DEVELOPMENT PLANNED FOR WEST WOODLAWN COMMUNITY**

The authorization to execute a multi-family loan agreement with 63rd Maryland, LLC and execute a TIF redevelopment agreement with 63rd Maryland, LLC for the construction of Park Station in the West Woodlawn Community was passed by City Council today. Additionally, the ordinance allows for the transfer of Illinois Affordable Housing Tax Credit (Donation Tax Credits) proceeds generated by the sale of these tax credits, sale of city-owned parcel(s) for \$1.00 per parcel, and designate 63rd Maryland, LLC as a TIF developer. The Park Station development will be a newly-constructed five-story elevator building with 58 mixed-income rental units; two units will be one-bedroom live/work “loft-style” units on the first floor. Other building amenities include tenant community space, ground floor commercial space, 40 off-street parking spaces, bike storage, a leasing office, and business center. In addition to community space on the first floor, there will also be a fifth-floor roof terrace for tenant use.

Total development costs are approximately \$31,798,366, and the City will provide multi-family loan funds up to \$6.5 million, 9% Low Income Housing Tax Credits (LIHTC), which will raise equity of approximately \$18,667,734 for the benefit of the transaction, Illinois Affordable Housing Tax Credits (Donation Tax Credits) of \$660,000 which is to raise equity of roughly \$597,300 for the benefit of the project, and City-owned parcel(s) for \$1.00 each. TIF funding of \$5 million will represent 16% of the financing and will be used to pay for or reimburse the developer for TIF eligible project costs. Additional funding will consist of a first mortgage of approximately \$765,820 and a ComEd energy grant of \$166,105. The City will have a mortgage lien position on the properties.



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The development team is a joint venture between DL3 Realty and The Michael's Organization (the "Developers"). DL3 Realty is a local minority-owned real estate development firm formed over 30-years ago, focusing on revitalizing the commercial landscape of the far south side of Chicago. Since its inception, DL3 Realty has become a nationally recognized full-service real estate firm completing over 212,000 square feet of retail, office, grocery store, and medical spaces.

Headquartered in Camden, NJ, the Michaels Organization was founded in 1973 and is known for being a national leader of affordable housing, having developed mixed-income, mixed-use structures in 35 states plus Washington D.C. and the US Virgin Island, which has provided over 55,000 units across 425 communities.

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**THE CHICAGO LIGHTHOUSE RESIDENCES TO CREATE UNITS OF AFFORDABLE RENTAL HOUSING FOR LOW- TO MODERATE-INCOME EARNERS AND THOSE WITH SPECIAL NEEDS IN THE 27<sup>TH</sup> WARD**

City Council passed two ordinances today to create the Chicago Lighthouse Residences, a multi-family development with 76-units of affordable rental housing targeted to low- and moderate-income families and those with special needs, including the blind and visually impaired. Brinshore Development has partnered with The Chicago Lighthouse, a world-renowned social service organization serving the blind, visually impaired, disabled, and veteran populations for the new building adjacent to the Chicago Lighthouse headquarters in the 27<sup>th</sup> Ward.

One ordinance would allocate up to \$1,500,000 in 9% Low-Income Housing Tax Credits (LITHC) and issue up to \$1,017,643 in DOH Multi-Family loans for the development.

The second ordinance would approve the reservation of \$2,500,000 donation tax credits (Illinois Affordable Housing Tax Credits - IAHTC); issue up to \$13,000,000 in tax-exempt bonds, and issue up to \$6,438,000 in Department of Housing (DOH) Multi-Family loans for development.

Both ordinances designate Chicago Lighthouse Residences, LLC or one of its affiliates, or an entity acceptable to DOH Commissioner, as the developer for the Chicago Lighthouse Residences.

The Chicago Lighthouse Residences will be sustainable, the units affordable for those at 30, 60, and 80% of the area median income (AMI) and will also feature 1,500 square feet of



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retail space, and 59 parking spaces - 21 outdoor spaces and 38 covered spaces on the 2nd and 3rd floors of the building. The Chicago Lighthouse Residences will be conveniently located near the CTA Polk Pink line station, which is especially critical for the building's blind residents who rely on buses and trains for access to jobs and resources. Ten units will be marketed towards veterans, and 40 units will include accessible features for blind or visually impaired people. Although the project will be marketed to both veteran and special needs populations, all units will be available to income-eligible tenants. All 19 one- and two-bedroom units for those individuals earning 30% AMI will be supported by Chicago Housing Authority (CHA) subsidies.

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