

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 24th Day of September 2002 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 24th Day of September 2002


EXECUTIVE SECRETARY
Jennifer Rampke

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

RESOLUTION NO. 02 - CDC - 89

**AUTHORITY TO NEGOTIATE A
REDEVELOPMENT AGREEMENT WITH
MONTCLARE SENIOR RESIDENCES PHASE II, L.P.
WITHIN THE
MONTCLARE REDEVELOPMENT PROJECT AREA,**

AND

**TO RECOMMEND TO
THE CITY COUNCIL OF THE CITY OF CHICAGO
THE DESIGNATION OF
MONTCLARE SENIOR RESIDENCES PHASE II, L.P.
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 Montclare 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, Montclare Senior Residences Phase II, L.P., an Illinois limited partnership (the "Company"), 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 proposed consists of the development of the second phase of Montclare

Senior residences located at 6640 W. Belden Avenue, and will include the new construction of a seven story elevator building having 180 rental units of which 162 shall be rented to low and very-low income persons (the "Project"). The property is located adjacent to the first phase of the Montclare Senior residences project.

WHEREAS, DPD requests that the Commission recommend to City Council that the Company be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Company 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 Company 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 Company 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: *September 24*, 2002

Attachment: Exhibit A, Street Boundary Description

CITY OF CHICAGO
COMMUNITY DEVELOPMENT COMMISSION
September 24, 2002

SUMMARY SHEET

- Action Requested:**
- 1) Grant authority to the City of Chicago to negotiate a Redevelopment Agreement with the Montclare Senior Housing Phase II, L.P., 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 second phase of Montclare Senior Residences located at 6640 W. Belden (the "Property"), within the Montclare Redevelopment Project Area (the "Area") and;
 - 2) Recommend to the City Council of the City of Chicago the designation of Montclare Senior Residences, Phase II, L.P. as the developer of the Project located within the boundaries of the Area

Project :

This project will provide the elderly an affordable housing opportunity for independent living on the northwest side. The proposed project will include a seven story elevator building of 155,234 square feet with the use of an attached one story building (built in phase I) which will house a large community room, fitness center, library, card/game room and rooms for visiting medical and volunteer social service providers. The main floor of the seven story building will contain a large living room, laundry, tenant lockers and the usual mechanical and maintenance spaces. There will be 136 parking spaces available on that side of the building. The design of the building calls for the use of brick masonry to emulate the character of the residential neighborhood and the low-rise Shriners Childrens Hospital located directly west of the Site.

Type of Development: Residential

Location: The Site had been used as an open car lot storage by an auto dealership and prior to that Revere Brass Works which was demolished in 1986. Within the past year, the development of Phase I of The Montclare Senior Residences has been completed.

The Area is bounded by a parcel line (approximately 575 feet south of Grand Avenue) on the north, the Chicago-Milwaukee St. Paul and Pacific Railroad right-of-way on the South and East and the alley east of Normandy at Belden Avenue. The property is located adjacent to the current facility and is located on the east side of Normandy at Belden Avenue in the Montclare neighborhood of Chicago. It is located in the Montclare Redevelopment Project Area. The subject site is 5.2 acres.

Developer: "Montclare Senior Residences Phase II, L.P."

*Limited Partner - Philip I. Mappa (49.95%)

*Limited Partner - Colin A. Regan (49.95%)

*General Partner - Montclare Partners II (.01%)

Assistance: The Developer is requesting \$3 million in Tax Increment Financing

Alderman/Ward: Alderman William Banks, 36th Ward.

Issues: None

Public Benefits:

* Affordable Senior Housing

* Economic Investment

* Job Opportunities

* Removal of Blight

M/MBE:

The developer will adhere to the City of Chicago requirements for both the Minority Business Enterprises and Women Business Enterprises. Montclare Senior Residence, Phase II, L.P. has sent certified letters to the MBE/WBE Contractor's Associations announcing the project.

Community Outreach:

Prior to construction of Phase I the developers had multiple meetings with Shriner's Childrens Hospital for Children, with which the project will share a common boundary. These meetings included a full project presentation to the hospital's Board of Directors

A series of neighborhood meetings have been held. In all cases there were advance public notice and newspaper articles and/or circulars. The neighborhood meetings were held under the auspices of the Galewood-Montclare Caring Seniors and the Northwest Neighborhood Federation. These meetings included a complete presentation of the Project and along with suggestions and comments responded to by the Developer.

Staff Report

MR. 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 Montclare Senior Housing Phase II, L.P., 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 second phase of Montclare Senior Residences located at 6640 W. Belden (the "Property"), within the Montclare Redevelopment Project Area (the "Area") and;

2) Recommend to the City Council of the City of Chicago the designation of Montclare Senior Residences, Phase II, L.P. as the developer of the Project located within the boundaries of the Area.

Background:

The proposed development is the second phase of the redevelopment of a property formerly of industrial use and of which, in the past years, was used as a open car lot storage by a local auto dealership. Within the past year, the City of Chicago has seen the development of the Montclare Senior Residence facility. The initial phase of these residences has been met with tremendous success. The new Site is adjacent to the current facility and is located on the east side of Normandy at Belden Avenue in the Montclare neighborhood of Chicago. It encompasses approximately 5.2 acres of which approximately 2 acres will be utilized for this project. The entire project Area including Phase I is approximately 11.37 acres. This development is located in the 36th Ward and the Montclare Redevelopment Project Area.

Development Team:

General Partners

"Montclare Senior Residences Phase II, L.P."

*Limited Partner - Philip I. Mappa (49.95%)

*Limited Partner - Colin A. Regan (49.95%)

*General Partner - Montclare Partners II (.01%)

This partnership was formed specifically for this project and has successfully developed Phase I of the Montclare Senior Residences Phase I. (Phase I is currently over 80% occupied as of Spring 2002)

"Affordable Housing Initiative" is the co-applicant and is a not-for-profit corporation. These directors have senior and tax credit supported housing experience and a development management team with a specialty in senior housing. The General Partner, Montclare Partners II, L.P. has been formed by its two principals, Philip Mappa and Colin A. Regan, specifically for this project. Together these two partners have developed over one million square feet of commercial properties with market values in excess of \$200 million in addition to over 200 residential units with market values in excess of \$60 million. They have completed Phase I as of December 1, 2001, which is currently over 80% pre-leased. For phase II, they have also brought in a non-for-profit co-applicant whose directors

have senior and tax credit supported housing experience and a development/management team with a specialty in senior housing.

The co-applicant, the Affordable Housing Initiative, is an Illinois non-for-profit corporation which is tax exempt under Section 501 (c)(3) of the Revenue Code. Its express purpose is the ownership and development of affordable housing. All of the directors of the Affordable Housing Initiative have been involved in the development of Maple Pointe, a 342 unit affordable senior housing project in the City of Chicago, as well as other affordable and senior housing projects.

Architect

The Architect, Kachoris Altay Architects, Inc., has 25 years experience in housing and senior residential development. Example of such developments include, The Devonshire (Lisle), The Heritage of DesPlaines, and Morningside, Morningside North, Maple Pointe, and Morningside Court in Chicago. They are also the architects for Phase I.

Financing

Bank of America, NA a national banking association is committed to making a construction loan to the developer.

Proposed Project:

This project will provide the elderly an affordable housing opportunity for independent living on the northwest side. There will also be a non-revenue staff apartment in the building (1 bedroom), which will ensure tenants round-the-clock management on site. The proposed project will include a seven story elevator building of 155,234 square feet with the use of an attached one story building (built in phase I) which will house a large community room, fitness center, library, card/game room and rooms for visiting medical and volunteer social service providers. The main floor of the seven story building will contain a large living room, laundry, tenant lockers and the usual mechanical and maintenance spaces. There will be 136 parking spaces available on that side of the building. The design of the building calls for the use of brick masonry to emulate the character of the residential neighborhood and the low-rise Shriners Childrens Hospital located directly west of the Site.

The proposed development will provide:

- * 180 Rental Units + 1 non-revenue staff apartment
- 138 one-bedroom units
- 42 two-bedroom units

Listed below is breakdown of units, square footage and price per unit at market and affordable rates.

<u>Bedrooms</u>	<u>Square Feet</u>	<u># of Units</u>
2	895	42
1	573	14
1	585	24
1	593	3
1	601	26
1	611	2
1	620	44
1	631	<u>26</u>
Total Units		181

First Floor	21,962
Second-Seventh	131,772 (21,962 x 6)
<u>Penthouse</u>	<u>1,500</u>
TOTAL	154,234

Market Rate 1 Bedroom Units	14 Units	\$850 / Month
Market Rate 2 Bedroom Units	4 Units	\$990 / Month
Low Income 1 Bedroom	86 Units	\$760 / Month
Very Low Income 1 Bedroom	38 Units	\$390-615 / Month
Low Income 2 Bedroom	38 Units	\$910 / Month

These rents are within the current low income housing tax credit limits. The Phase II rents compare favorable with Phase I rents. IHDA, as the tax credit allocating agency, will monitor rents initially and throughout the tax credit afford ability period (15 years). They will also monitor tenant files for income eligibility compliance.

The units will be restricted to the persons of age 55 or older requiring independent living at affordable rents. Many of the programs are designed for the physically disabled will be in place prior to completion of the proposed Phase II. These will include, but are not limited to the following

- Appropriately designed and fixture units
- A high level of electronic security, both in and outside of the building
- Emergency call system via personal pendant
- Proximate handicapped parking
- Fully accessible common areas
- 24-hour on-site management and security
- Wide range of social programs
- Optional in-building meal service
- On-site beauty and barber services
- Medical screenings and follow-ups with personnel from Resurrection and West Suburban hospitals
- On site computer center with no-cost Internet access

- Fitness center, including sit-and-be-fit-programs
- On-site banking services
- Handicapped accessible shuttle bus for shopping, medical destinations and social outings
- Social and recreational programs in the building
- Fully accessible patio, gardens and outdoor games area

The building is designed in a side-lying “T” which mirrors the Phase I Development. The top of the “T” will back into the single-story community space and together these structure will frame a larger rear courtyard. This outdoor area is part of the green space plan for the site and will serve as an outdoor activity area in good weather. There will be gardens, an outdoor cooking area and recreational amenities, and will directly access the large community room so events can take place inside and out. The front portion of the single story building will provide a central lobby with an attended reception desk.

Deal Structure:

The total project cost for the proposed development is \$24,223,092 and the developer is requesting \$3,000,000 in Tax Increment Financing. This is approximately 12% of the total project costs.

This Project will generate approximately an average \$318,000 in increment per year throughout the life of the TIF. This will total approximately \$7,197,700 which has a net present value of \$3,045,919 discounted at 7.50% . If the Developer note carries an interest rate of 7.50% , the Developer would receive 98% of the NPV of the increment generated over time from the Projects PINs.

The City, through the Department of Planning and Development (DPD), is planning to reimburse the Developer for the TIF-eligible costs up to the lesser of \$3,000,000 or 12% of the total actual project costs, whichever is less. The financial assistance will be provided on a pay-as-you-go basis. The city will pledge to the Developer, for reimbursement of TIF eligible costs, 98% of the increment that is generated by the Project, which increment is estimated to be approximately \$3,045,000 NPV over the life of the TIF. The Developer requires this pledge of increment to obtain a second mortgage with a principal of \$3,000,000. If increment collections exceed the estimated \$3,045,000, these additional unallocated TIF revenues will be retained by the City. Disbursement is subject to the developer’s meeting all applicable conditions and requirements of the redevelopment agreement including, but not limited to, MBE/WBE, prevailing wage, and City residency.

The TIF eligible costs include, land acquisition, site preparation, environmental remediation, public improvements, studies, surveys and certain financing costs. Other sources of funds for this Project are Bank Financing, Investor Capital Contribution (Tax Credit Equity) and a Deferred Developer Fee.

Sources and Uses:

Uses of Funds:

Construction and Improvements	\$ 15,692,486
Furniture, Fixtures & Equipment	224,000
Architecture	404,500
Developer Fee	2,410,000
Off-Site Improvements	20,000
Construction Interest	511,875
Construction Contingency	652,527
Insurance	85,303
Professional Fees	67,932
Financing Costs	514,010
Title/Recordings/Escrow/Tax Credit Fees	2,241,796
Leasing / Marketing	128,000
Land Purchase	975,000
<u>Debt Service/Operating Reserve During Lease up</u>	<u>295,663</u>
Total Uses of Funds	\$ 24,223,092

Sources of Funds

Bank Financing (Bank of America)	\$ 8,900,000
Investor Capital Contribution	11,830,349
Deferred Developer Fee	492,743
<u>Proposed TIF</u>	<u>3,000,000</u>
Total Source of Funds	\$ 24,223,092

Conformance with the Plan:

The Project is located in the Montclare Tax Increment Financing district designated in April, 2000. The Project conforms with the plan and encourages the following:

- * creation of new senior residential housing in the Redevelopment Project Area to serve the surrounding area.
- * creation of an environment within the Redevelopment Project Area that will contribute to the health, safety and general welfare of the City.
- * strengthens the economic well being of the Area and the City by enhancing the value of properties and the local tax base.
- * encourages the participation of minorities and women in the Redevelopment Project Area.
- * reduces or eliminates conditions that qualify the Area as a Vacant Bighted Area
- * facilitates the development of vacant land and the redevelopment of underutilized properties for a senior residential complex.

The Planned Development was approved by Plan Commission in 1999 and was revised in May 2001.

The amendment increased:

- the amount of residents allowed from 304 residents to 353 residents
- the Floor Area ratio from 1.20 to 1.25
- the amount of the second building from 6 floors to 7 floors
- 5,500 square foot garden area added

The amendment decreased:

- the minimum amount of parking spaces from 273 (0.9 spaces per unit) to 233 (0.6 spaces per unit)

Community Outreach:

Prior to construction of Phase I the developers had multiple meetings with Shriner's Childrens Hospital for Children, with which the project will share a common boundary. These meetings included a full project presentation to the hospital's Board of Directors

A series of neighborhood meetings have been held. In all cases there were advance public notice and newspaper articles and/or circulars. The neighborhood meetings were held under the auspices of the Galewood-Montclare Caring Seniors and the Northwest Neighborhood Federation. These meetings included a complete presentation of the Project and along with suggestions and comments responded to by the Developer.

Public Benefits:

The public benefits the Montclare Senior Residences will provide are:

- * There 180 Affordable residential units for the well elderly who are seeking a housing community for independent living on the northwest side of Chicago. The Phase I building is expected to be 100% occupied by year end 2002. Phase II will meet the continued demand for this type of facility.
- * Development of an underutilized site.
- * The proposed development will generate four permanent service related jobs and approximately 130 full-time construction jobs for the 12 month construction period.

M/MBE:

The developer will adhere to the City of Chicago requirements for both the Minority Business Enterprises and Women Business Enterprises. Montclare Senior Residence, Phase II, L.P. has sent certified letters to the MBE/WBE Contractor's Associations announcing the project. The developer successfully satisfied the MBE/WBE requirement of Phase I

RECOMMENDATION:

The resolution before the Commission requests the following actions:

- 1) Grant authority to negotiate a Redevelopment Agreement with Montclare Senior Residences Phase II, L.P. . 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 redevelopment of a portion of Montclare Senior Residences Phase II (the "Property"), located within the Montclare Redevelopment Project Area (the "Area") and;
- 2) Recommend to the City Council of the City of Chicago the designation of Montclare Senior Residences Phase II, L.P. as the developer of the Project located within the boundaries of the Area. .

TERM SHEET

Project Description:

This project will provide the elderly an affordable housing opportunity for independent living at 6640 W. Belden on the City's on the northwest side. The project will include a seven story elevator building of 155,234 square feet with the use of an attached one story building (built in phase I) which will house a large community room.

Uses of Funds:

<u>Uses</u>	<u>Amount</u>
Construction and Improvements	15,692,486
Furniture, Fixtures & Equipment	224,000
Architecture	404,500
Developer Fee	2,410,000
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Leasing / Marketing	128,000
Land Purchase	975,000
<u>Debt Service/Operating Reserve During Lease up</u>	<u>295,663</u>
Total Uses of Funds	\$ 24,223,092

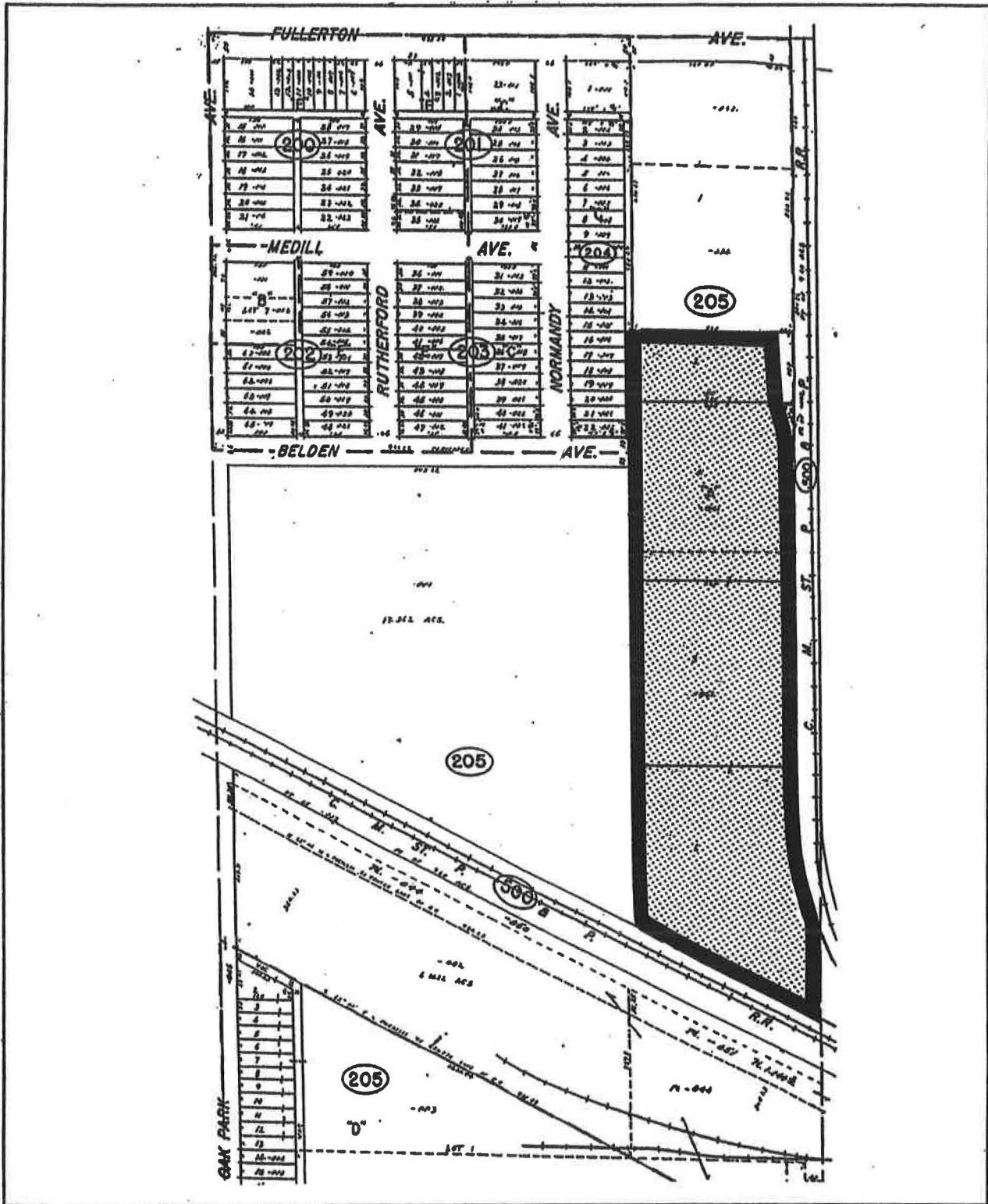
Sources of Funds:



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Deferred Developer Fee	492,743
<u>Proposed TIF</u>	<u>3,000,000</u>
Total Sources of Funds	\$ 24,223,092

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Montclare Redevelopment Plan

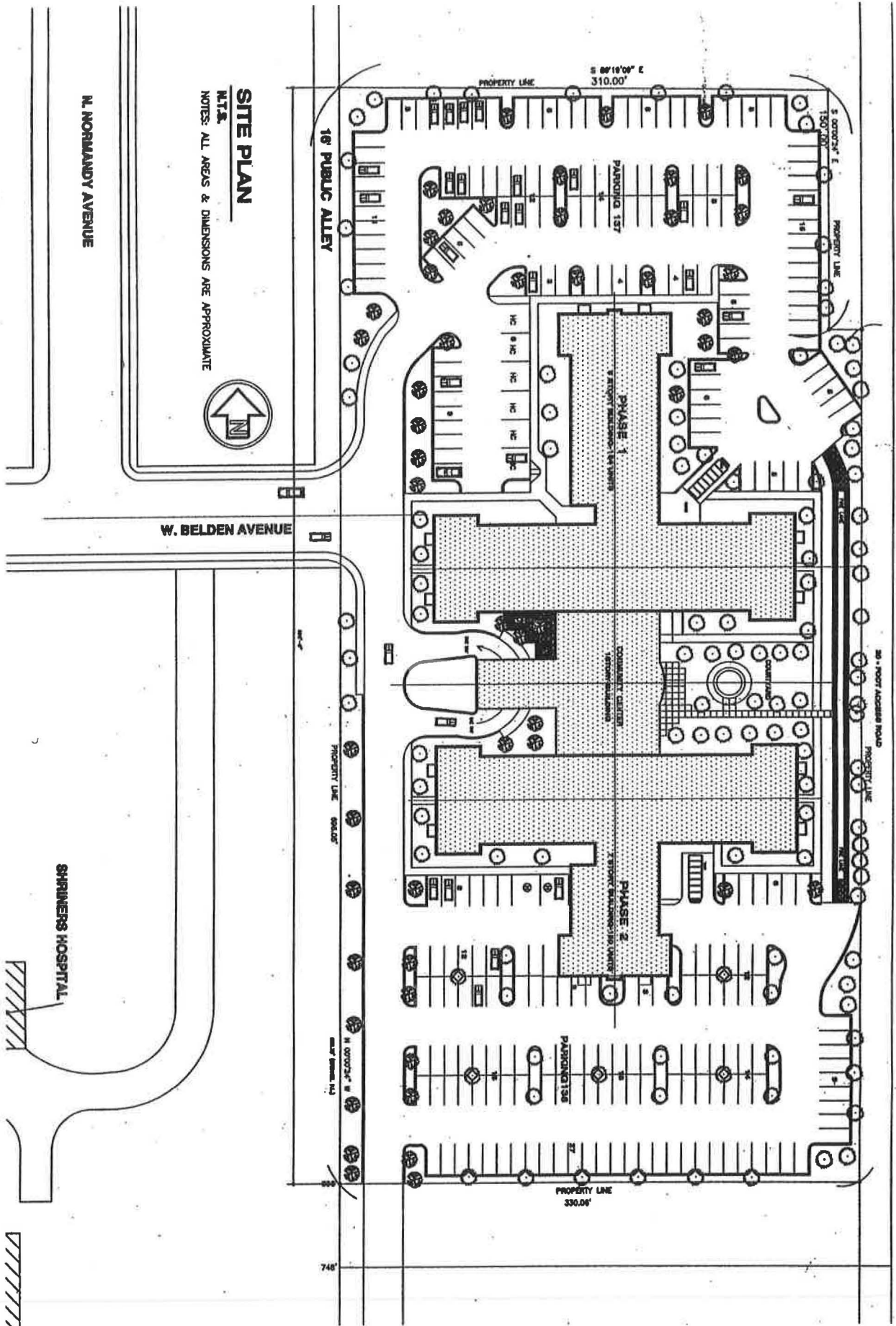
Existing and Proposed Land Use



 Boundary Line
 Residential

 North

Louik/Schneider & Associates, Inc.
 54 W. Hubbard, Suite 210 Chicago, Illinois 60610
 Telephone: (312) 828-9222 Fax (312) 828-9347



SITE PLAN

NOTES:

ALL AREAS & DIMENSIONS ARE APPROXIMATE



N. NORMANDY AVENUE

W. BELDEN AVENUE

16' PUBLIC ALLEY

SHRINERS HOSPITAL

THE MONTCLARE

BELDEN AND NORMANDY AVENUES
CHICAGO, ILLINOIS
MARCH 26, 1999

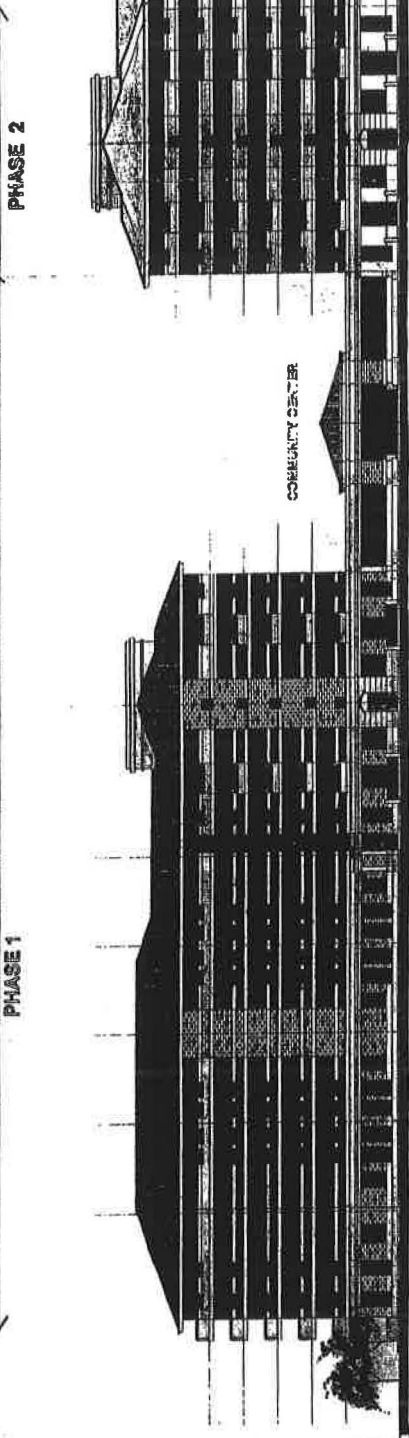
BELDEN COURT, L.L.C.
1350 EAST TOUHY AVENUE
DES PLAINES, ILLINOIS

B·C·A ARCHITECTS, INC.
118 NORTH CLINTON STREET
CHICAGO, ILLINOIS

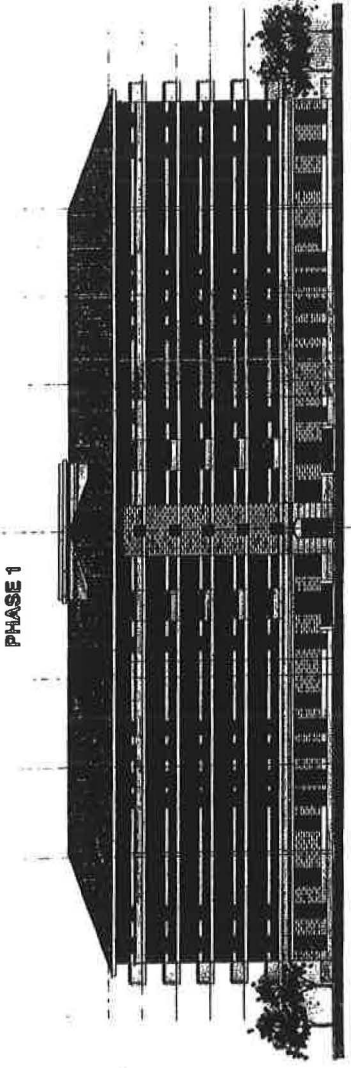
BCA ARCHITECTS, INC.
118 NORTH CLINTON STREET
CHICAGO, ILLINOIS

THE MONTCLARE
BILDEN AND NORMANDY AVENUES
CHICAGO, ILLINOIS
MARCH 26, 1994

BILDEN COURT, L.L.C.
1350 EAST TOWNE AVENUE
1067 PLANNED, BLDG 08



WEST ELEVATION
SCALE 1" = 10'-0"



NORTH ELEVATION
SCALE 1" = 10'-0"

PHASE 2

PHASE 1

COMMUNITY CENTER

PHASE 1

7106 4575 1292 5621 5751 9017

US Postal Service	Postage	\$ 1.37
Receipt for Certified Mail	Certified Fee	2.30
Return Receipt Fee (Endorsement Required)		1.75
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees		\$ 4.42



Sent To:

Ms. Habetta Payton
Illinois Association of Minority Contractors
1643 E. 71st Street
Chicago, IL 60649

PS Form 3800, June 2000

US Postal Service

Certified Mail Receipt

RETURN RECEIPT SERVICE	POSTAGE	1.37	POSTMARK ON DATE
	SHOW TO WHICH DATE AND ADDRESS OF DELIVERY / RESTRICTED DELIVERY	1.75	
	CERTIFIED FEE + RETURN RECEIPT	2.30	
	TOTAL POSTAGE AND FEES	4.42	

SENT TO: NO INSURANCE COVERAGE PROVIDED NOT FOR INTERNATIONAL MAIL SEE FORM 3800

Ms. Hedy Kutner
Women Business Development Center
8 S. Michigan Avenue
Suite 400
Chicago, IL 60603

PS FORM 3800



RECEIPT FOR CERTIFIED MAIL

IMPORTANT PLACE STICKER AT TOP OF ENVELOPE TO

ED4 P19 916 P

7106 4575 1292 5612 5751 9017

US Postal Service	Postage	\$ 1.37
Receipt for Certified Mail	Certified Fee	2.30
Return Receipt Fee (Endorsement Required)		1.75
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees		\$ 4.42



Sent To:

Mr. Rafael Hernandez
Hispanic American Construction Industry Association
901 W. Jackson, Suite 205
Chicago, IL 60607

PS Form 3800, June 2000

US Postal Service

Certified Mail Receipt

7106 4575 1292 5612 3550

US Postal Service Receipt for Certified Mail <small>For use with Certified Mail, Registered Mail, Restricted Delivery, and Return Receipt for Merchandise</small>	Postage	\$.37	
	Certified Fee	2.30	
	Return Receipt Fee (Endorsement Required)	1.75	
	Restricted Delivery Fee (Endorsement Required)		
	Total Postage & Fees	\$ 4.42	

Sent To:
Ms. Sandra Gidley
Federation of Women Contractors
330 S. Wells Street, Suite 1110
Chicago, IL 60606

PS Form 3800, June 2000 US Postal Service **Certified Mail Receipt**

P. 918 678 406

RETURN RECEIPT SERVICE	POSTAGE	.37	
	SHOW TO WHICH DATE AND ADDRESS OF DELIVERY RESTRICTED DELIVERY	1.75	
	CERTIFIED FEE + RETURN RECEIPT	2.30	
	TOTAL POSTAGE AND FEES	4.42	

SENT TO:
INSURANCE COVERAGE PROVIDED - NOT FOR INTERNATIONAL MAIL, INT. RATE 25%
Mr. Umar Duque
Mexican American Chamber of Commerce
122 S. Michigan Avenue, Suite 1705
Chicago, IL 60603

PS FORM 3800 **RECEIPT FOR CERTIFIED MAIL**

IMPORTANT! PLACE STICKER AT TOP OF ENVELOPE TO

7106 4575 1292 5612 3574

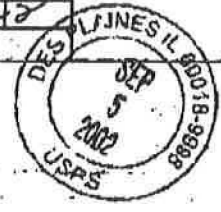
US Postal Service Receipt for Certified Mail <small>For use with Certified Mail, Registered Mail, Restricted Delivery, and Return Receipt for Merchandise</small>	Postage	\$.37	
	Certified Fee	2.30	
	Return Receipt Fee (Endorsement Required)	1.75	
	Restricted Delivery Fee (Endorsement Required)		
	Total Postage & Fees	\$ 4.42	

Sent To:
Mr. Perry Mackachi
Association of Asian Construction Enterprises
333 N. Ogden Avenue
Chicago, IL 60607

PS Form 3800, June 2000 US Postal Service **Certified Mail Receipt**

P 916 678 405

RETURN RECEIPT SERVICE	POSTAGE	1.31	POSTMARK OR DATE
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY / RESTRICTED DELIVERY	1.75	
	CERTIFIED FEE - RETURN RECEIPT	2.30	
	TOTAL POSTAGE AND FEES	4.42	
SENT TO:		NO INSURANCE COVERAGE PROVIDED - NOT FOR INTERNATIONAL MAIL SEE 3800	
Mr. Carroll Walker Black Contractors United 400 W. 76th Street Chicago, IL 60620			



PS FORM 3800



RECEIPT FOR CERTIFIED MAIL

IMPORTANT PLACE STICKER AT TOP OF ENVELOPE TO

P 916 678 404

RETURN RECEIPT SERVICE	POSTAGE	1.31	POSTMARK OR DATE
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY / RESTRICTED DELIVERY	1.75	
	CERTIFIED FEE - RETURN RECEIPT	2.30	
	TOTAL POSTAGE AND FEES	4.42	
SENT TO:		NO INSURANCE COVERAGE PROVIDED - NOT FOR INTERNATIONAL MAIL SEE 3800	
Mr. Omar Sharraf African American Contractors Assn. 3706 S. Indiana Avenue 1st Floor Chicago, IL 60653			



PS FORM 3800



RECEIPT FOR CERTIFIED MAIL

IMPORTANT PLACE STICKER AT TOP OF ENVELOPE TO

TERM SHEET

Project Description:

This project will provide the elderly an affordable housing opportunity for independent living on the northwest side. The project will include a seven story elevator building of 155,234 square feet with the use of an attached one story building (built in phase I) which will house a large community room.

Uses of Funds:

<u>Uses</u>	<u>Amount</u>
Construction and Improvements	15,692,486
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Financing Costs	514,010
Title/Recordings/Escrow/Tax Credit Fees	2,241,796
Leasing / Marketing	128,000
Land Purchase	975,000
<u>Debt Service/Operating Reserve During Lease up</u>	<u>295,000</u>
Total Uses of Funds	\$ 24,223,092

Sources of Funds:

Bank Financing (Bank of America)	\$ 8,900,000
Investor Capital Contribution	11,830,349
Deferred Developer Fee	492,743
<u>Proposed TIF</u>	<u>3,000,000</u>
Total Sources of Funds	\$ 24,223,092

The City, through the Department of Planning and Development (DPD), is planning to reimburse the Developer for the TIF-eligible costs up to the lessor of \$3,000,000 or 12% of the total actual project costs, whichever is less. The financial assistance will be provided on a pay-as-you-go basis. The city will pledge to the Developer, for reimbursement of TIF eligible costs, 98% of the increment that is generated by the Project, which increment is estimated to be approximately \$3,045,000 over the life of the TIF. The Developer requires this pledge of increment to obtain a second mortgage with a principal of \$3,000,000..



WILLIAM J. P. BANKS

ALDERMAN, 36TH WARD

**CITY COUNCIL
CITY OF CHICAGO
COUNCIL CHAMBER**

ROOM 304, CITY HALL
121 NORTH LASALLE STREET
CHICAGO, IL 60602
TELEPHONE: 312-744-6857

COMMITTEE MEMBERSHIPS

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LICENSE AND CONSUMER PROTECTION

RULES AND ETHICS

September 10, 2002

Alicia Mazur-Berg, Commissioner
Department of Planning and Development
121 N. LaSalle Room 1000
Chicago, Illinois 60602

Dear Commissioner,

I am writing this letter to advise you that I wholeheartedly support the development of Montclare Senior Residences, Phase II. This project is providing 180 affordable housing opportunities to the elderly on the Northwest side of the city of Chicago. The Phase I development of these residences has already provided 153 affordable residences and has been a tremendous success. Phase II will meet the continuous demand for this type of facility in the area.

Should you require further information, or have questions, please contact me immediately.

Thanking you for your consideration of this matter.

Sincerely,

WILLIAM J.P. BANKS
Alderman, 36th Ward

EXHIBIT A

**Street Boundary Description of the
Montclare Tax Increment Financing
Redevelopment Project Area**

The Area consists of approximately 11.37 acres and is bounded by a parcel line approximately 575 feet south of Grand Avenue on the North; the Chicago-Milwaukee, St. Paul and Pacific Railroad right-of-way on the south and east; and the alley east of Normandy Avenue on the west.

Street Address and Area Boundaries of the proposed Project

The Project address is 6640 W. Belden Avenue, Chicago, IL 60707 and is located adjacent to Phase I of the Montclare Senior Residences project and is on the east side of Normandy at Belden Avenue in the Montclare Redevelopment Project Area.