



CITY OF CHICAGO • OFFICE OF THE MAYOR



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SEVENTY-SIX UNIT MIXED-INCOME DEVELOPMENT APPROVED FOR AUSTIN

City Council passed a measure today allowing the issuance of up to \$15 million in tax-exempt revenue bonds for the acquisition and construction of Austin United Alliance (AUA). The six-story, 76-unit, new construction, mixed-income apartment building in Austin is an INVEST South/West project that will include 53 affordable units for households at or below 50% and 60% of the area median income (AMI) and 23 market-rate units. The unit mix includes 25 one-bedroom, 24 two-bedrooms, and four three-bedroom units.

The development will be financed with various sources, including up to \$15,000,000 of tax-exempt bonds issued by the City of Chicago that will automatically generate 4% Low Income Housing Tax Credits for an estimated \$8,861,760 in equity for the benefit of the transaction. The equity payments will be funded throughout construction to completion and finally occupancy. Other funding will consist of a private loan, TIF, HOME, 9% LIHTC, and grants from ComEd and GP Equity.

Austin United Alliance is a partnership between Heartland Housing and Oak Park Regional Housing Center. The Oak Park Regional Housing offers free resources for housing primarily serving Western Cook County. Since founded in 1988, Heartland Housing has been actively involved in the development, completion, and placement in service of 25 projects totaling over 2,600 units of affordable and permanent supportive housing in Chicago, Milwaukee, and Madison, currently managing over 1,350 affordable units.

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SARAH'S ON LAKESIDE TO PROVIDE 28 AFFORDABLE STUDIOS IN UPTOWN



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City Council passed a measure today paving the way for 28 permanent affordable studio apartments for very low and extremely low-income individuals who are homeless or chronically homeless in the Uptown community. Sarah's on Lakeside will be the third supporting housing development from Sarah's Circle.

Rents will be subsidized through a combination of project rental assistance provided by the Chicago Housing Authority (CHA), and HUD's Continuum of Care subsidies. Fifty percent (14) of the units will be targeted to residents earning no more than 30% of the area median income (AMI), and 50% (14) will be targeted to residents earning no more than 60% of AMI.

All residents will have access to supportive services at Sarah's Circle Support Center. In addition to meals, the Center will provide case management services, educational programming, and clinical services. Residents will have access to shared laundry facilities, multipurpose rooms, a shared computer lab, group dining, and social services.

Total development costs are approximately \$15.4 million, and the City will provide up to \$3.5 million in Multi-Family Loan Funds, \$3.1 million in Affordable Requirements Ordinance (ARO) "In lieu of" funds, and \$1.5 million in Illinois Affordable Housing Tax Credit proceeds (Donation Tax Credits). The Illinois Housing Development Authority (IHDA) will provide \$6 million in Supportive Housing Funds, and Sarah's Circle will provide a capital contribution of \$1.9 million.

The ARO "in lieu of" funds will be derived from a market-rate development to be erected at 4600 North Marine Drive. In lieu of providing 25% affordable units in their market-rate development, developer Lincoln Properties will donate \$3.1 million, which will go to Sarah's Circle to assist with the costs of erecting the 28 affordable housing units at Sarah's on Lakeside.

Sarah's Circle was founded in the late 1970s, and its mission is to provide a refuge for women who are homeless or in need of a safe space by providing housing assistance, case management, referral services, and life necessities. Since opening its doors, Sarah's Circle has helped to place over 700 women in permanent housing, and on a day-to-day basis, serves 100s of individuals with their comprehensive supportive service programs such as meals, case management, clinical services, general education, and referral services.

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NEXT PHASE OF ABLA HOMES REDEVELOPMENT APPROVED FOR THE NEAR WEST SIDE

A measure passed by City Council today authorizes the issuance of up to \$87 million in multi-family mortgage revenue bonds for the next phase of the Roosevelt Square-ABLA Homes redevelopment.

Today's introduction would also authorize 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) proceeds generated by the sale of these tax credits to the project known as Roosevelt Square 3B, authorize 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 project known as Roosevelt Square 3B, and designates 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, as well as 30,000 square feet of retail, a 15,000 square-foot library, and over two miles of new streets.

This phase of development will produce three newly constructed buildings that will house 207 mixed-income rental units, the rehabilitation of the housing museum which will contain 15 mixed-income rental units in the northern portion of the building, and the renovated museum in the southern portion, tenant and community amenity, and green spaces, off-street parking. Today's measure will also authorize 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, pursuant to Resolution 06-CDC76 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 \$160,850,000 and in addition to the use of tax-exempt bonds and the 4% tax credit equity generated from the bonds (approximately \$48 million), 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 \$47 million, equity from Illinois Affordable Housing Tax



Credits (Donation Tax Credits) of approximately \$2.25 million, which will be generated from the value of the land, a deferred developer fee of approximately \$5 million and approximately \$1 million in transferred reserves from the existing Roosevelt Square phase one buildings.

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FIFTY-EIGHT NEW AFFORDABLE RENTAL UNITS APPROVED FOR AUBURN GRESHAM

City Council approved a measure today authorizing the issuance of up to \$6 million in multi-family loans or grant funds for the creation of 58 new affordable rental units in Auburn Gresham, an INVEST South/West community. Today's measure also authorizes the issuance of up to \$18 million in TIF funds, and up to \$25 million in Tax-exempt Housing Revenue Bonds for the benefit of Evergreen Imagine JV LLC or one of its affiliates, or an entity acceptable to the DOH Commissioner, as well as convey seven City-owned lots to developer Evergreen Imagine JV LLC, or their successor affiliate(s), Auburn Gresham Apartments LP, an Illinois Limited partnership, or an entity acceptable to DOH Commissioner as developer.

The total development cost is estimated at \$42.6 million, with a City ask of \$18 million in TIF; up to \$6 million in other City soft funds, and \$18.2 million in 4% LIHTC equity generated from the tax-exempt bonds. The City will also provide Donation Tax Credits to the project in the amount of \$122,500, which will generate an approximate \$109,025 in equity for the project. Additional sources are expected to include a first mortgage, a seller note, funding from ComEd, and a deferred developer fee.

This is the first Invest South/West project to advance to DOH application stage. It will generate 58 new construction units and \$42.6 million of investment in the Auburn Gresham neighborhood. The project is anticipated to generate 17 new permanent jobs and 100 temporary construction jobs.

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PRESERVATION OF 272 UNITS AT THE BARBARA JEAN WRIGHT APARTMENTS APPROVED FOR UNIVERSITY VILLAGE/LITTLE VILLAGE

City Council passed an ordinance today that will issue a bond inducement of up to \$45 million in Multi-Family Housing Loan Funds to finance the acquisition and moderate rehabilitation of the Barbara Jean Wright Apartments located at 1354 S. Morgan (multiple sites generally bounded by Maxwell St/Morgan St/14th Pl/Racine



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Ave/Blue Island). This project consists of 272 units in 12 garden-style four-story apartment buildings and 15 two-story townhomes in the University Village/Little Italy area.

Of the 272 units, 251 are for tenants at 60% area median income (AMI) and below, and the remaining 21 units will have unrestricted rents. The apartment complex, spread over an 11.5-acre campus, was originally constructed in 1972, and ownership transferred to the Chicago Community Development Corporation (CCDC) in 1999. CCDC proposes to sell it to Jonathan Rose Companies. The total project cost is estimated at \$82 million. In addition to City assistance, the development will also receive a HUD FHA loan of approximately \$46 million.

The rehabilitation will include upgraded security, replacement of kitchens, bathrooms, flooring, and carpeting in units, interior painting, A/C, and new lighting. New amenities will include a 4,000-square foot community building with ancillary common spaces; provision of WiFi to residents; supportive services and upgrades to the basketball court, and playground maintenance.

Jonathan Rose Companies is the sole member of the developer entity. This rehab project is the first project for which Jonathan Rose Companies has sought City funding. However, over the last 30 years, the firm has owned, developed, and managed over \$1.8 billion in real estate. JRC specializes in the acquisition and long-term preservation of existing affordable housing and implements its preservation activities through public and private collaboration and the utilization of local incentives that allow each project to extend affordability provisions and invest in long-term improvements.

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