CITY OF CHICAGO DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT

STAFF REPORT TO THE COMMUNITY DEVELOPMENT COMMISSION REQUEST FOR DEVELOPER DESIGNATION **JUNE 10, 2014**

I. PROJECT IDENTIFICATION AND OVERVIEW

Project Name:

Cicero and George Elderly Housing

Applicant Name:

Cicero and George Limited Partnership

Project Address:

4800 W. George

Ward and Alderman:

31st / Alderman Ray Suarez

Community Area:

Belmont-Cragin

Redevelopment Project Area:

Belmont Cicero

Requested Action:

TIF Developer Designation

Proposed Project:

The proposed project, which will be built on private land acquired by the developer, will consist of new construction of a six-story, 70-unit building for seniors age 55 and over. The units will be composed of a studio, one- and twobedrooms, with square footage beginning at 530s.f. for the studio, up-to 867s.f. for a two-bedroom unit. Of the 70 units, 61 will be for seniors whose incomes range between 30-60% of the area median income (AMI), eight will be for seniors whose incomes range at or below 80% AMI, and one will be set-aside as a janitors' apartment. The unit mix consists of one studio, 64 one-bedroom and five twobedrooms. In addition to the units, the building will contain a community room, exercise/wellness room, atrium, terrace, community garden, and laundry room. There will

also be a total of 23 on-site parking spaces.

TIF Developer Designation- Residential Cicero & George Limited Partnership

Goal of Project:

To reduce and eliminate blighted conditions by creating and

providing affordable rental housing for seniors.

TIF Assistance:

\$4,000,000

II. PROPERTY DESCRIPTION

Address:

4800 West George

Location:

The proposed project will be located on the northwest corner of North Cicero Avenue and West George Street in the Belmont-Cicero TIF District. It will be bound by Cicero Avenue to the east, Oakdale Avenue to the north, Lamon Avenue to the west, and George Street to the south.

Tax Parcel Numbers:

13-28-223-029 to 13-28-223-033

Land Area:

0.38 acres or 16,659 s.f.

Current Use:

Abandoned automobile repair shop and

commercial/residential two-flat.

Current Zoning:

B1-1

Proposed Zoning:

B3-5

Environmental Condition:

GSG Consultants, Inc. completed Phase I and II ESA reports and found that although arsenic was detected slightly above the Tier 1 SROs for residential property, this level seems to be consistent with the nature of the typical Chicago fill material and do not appear to be related to a release incident. GSG recommends the soil be excavated from the site during demolition and construction, and be disposed at a landfill in accordance with all state and federal regulatory requirements. Additionally, the concrete building foundation slab, and/or three feet of clean fill should be utilized as engineered barriers at the site.

III. BACKGROUND

The redevelopment of this property will fulfill a need for affordable housing in the Belmont-Cragin area for elderly tenants on fixed incomes. Located 7.5 miles northwest of downtown Chicago, the development will be "transit-oriented" in that it is located on Cicero Avenue, a major thoroughfare with frequent bus service. However, the project will be ideally situated around shopping, parks, recreation, and transportation. The nearest convenience shopping and services to the site are one block south at Cicero and Diversey Avenues, and is anchored by a Cermak Produce grocery store. West of Cicero at Diversey are several small restaurants and beauty salon/supply facilities. The Walgreens and a florist are just a few blocks west of the site at Laramie. At Cicero and Belmont Avenues is a neighborhood business district with a Community Savings Bank and Bread Basket restaurant; additionally, a few blocks east of the site at Diversey and Kilpatrick is the Hall Shopping Center which houses fast food restaurants, clothing stores and a WIC Food Center. There is a McDonald's across the street from the shopping center, and a Wal-Mart's is located in the 4600 block of west Diversey Avenue. More extensive shopping can be found 1.3 miles north of the site at the "Six Corners" which is located at Cicero and Irving Park Road, or 2.5 miles west of the site at the Brickyard Shopping Center which is located at Fullerton/Grand and Narragansett Avenues. The six corners offers Jewel/Osco, Marshalls and smaller stores, and the Brickyard shopping center offers another Jewel/Osco, Target and Pier 1 stores to name a few.

The nearest medical offices are located two blocks north at Wellington Avenue, and the closest hospital is Illinois Masonic Hospital on Wellington Avenue just west of Halsted street and five miles to the east of the site. There is a doctor's office two blocks north of the site at Wellington and Cicero, and two dental offices at the Hall Shopping Center on Diversey and Kilpatrick.

The neighborhood is well served with public transportation. The number 54 Cicero bus runs on Cicero Avenue and has a stop in front of the proposed site. Additionally, there are bus lines on Diversey, Fullerton and Belmont Avenues. The nearest elevated train station is the Blue Line at Logan Square which is approximately two miles east on Milwaukee Avenue and south of Diversey. The site is also near two Metra stations; the Healy station on the Milwaukee District North is 1.5 miles east near Fullerton and Pulaski, and the Grand/Cicero station on the Milwaukee District West is 1.5 miles southeast near Armitage Avenue east of Cicero Avenue. The site is easily accessible to area expressways. The Eden's Expressway has an interchange at Wilson and Cicero Avenues, two miles north, and the Kennedy Expressway has an interchange at Kimball Avenue near Belmont which is 2.5 miles northeast of the proposed site.

The side streets are mostly residential, with single-family homes, two- and three-flats and small apartment buildings. The immediate neighborhood is primarily commercial on Cicero Avenue, and well maintained residential neighborhoods off of Cicero Avenue. This section of Cicero

Avenue has been a major center for automobile dealers, though a number of dealers have closed leaving vacant lots.

The Primary Market Area (PMA) has larger households (3.0 persons) when compared to both the Secondary Market Area (SMA) (2.62 persons) and the City of Chicago (2.56 persons). This is due in part to the larger share of children and smaller share of seniors when compared to these other areas. The median age in the PMA is estimated to be 32 years, and 38 years in the SMA; however, there are an estimated 7.7% of persons ages 65+ and 9.0% ages 55-64 in the PMA, and another 12.1% and 13.2% respectively in the SMA. The City of Chicago has higher shares of older residents than the PMA but somewhat lower than the SMA.

The median household income in the PMA in 2012 was estimated at \$47,564 and was much higher in the SMA at \$58,098. The PMA's median income is similar to the City of Chicago's at \$48,353. By 2017, the median household income in the PMA is projected to be \$54,022, and the SMA's is projected to be \$66,156.

The housing stock in the PMA is old with nearly 89% of the housing built prior to 1970, and a mere 3.8% of the housing being constructed between 2000 and 2011. The SMA's housing stock is also old with nearly 85% of the housing having been constructed prior to 1970, and 4.2% built between 2000 and 2011. The renter-occupied units comprised 57.6% of the total occupied housing stock in this defined area. There were over 47,800 renter-occupied units, and the rental vacancy rate in 2010-2011 was a reasonably healthy 7.3%. Over 11,132 units were occupied by households headed by a person over age 65, with 40% of seniors being renters. This shows that many future renters at Cicero and George Elderly Housing will not need to sell their homes prior to moving.

The PMA has a total of 823 affordable senior units in eight properties, and all the properties have wait lists. The market area for this property includes all or parts of the Belmont Cragin, Portage Park, Hermosa and Logan Square community areas. It is bound by I-90/94 on the east, Narragansett Avenue on the west, Bloomingdale on the south and Lawrence Avenue on the north. Over 7,500 PMA and SMA households age 65+ have incomes under \$35,000, and 6,350 have incomes between \$10,000 and \$34,999; the targeted income range for the proposed affordable units. The proposed rents at Cicero and George will be competitive with the other senior buildings in and around the area.

The market study indicates the penetration of existing low-income senior housing in the market area with and without the proposed Cicero and George Elderly development of 10.9% for the PMA and SMA. The addition of the affordable units will increase the rate to 12.7% which are very reasonable levels. Absorption of the units from the proposed Cicero and George Elderly Housing project will depend in part on the timing of completion. However, the market study

indicated there is solid demand for the proposed property, and that coupled with the lengthy waitlists at the existing buildings, indicates lease-up of this proposed project should move swiftly.

IV. PROPOSED DEVELOPMENT TEAM

Development Entity: Cicero & George Limited Partnership, an Illinois limited partnership (the "Borrower"), was formed by Hispanic Housing Development Corporation (the "Developer"). Cicero & George Limited Partnership will consist of Cicero and George Elderly Corporation as the general partner with a .01% ownership interest, whose sole shareholder is Hispanic Housing Cicero and George LLC, whose sole member is Hispanic Housing Development Corporation (HHDC), a 501 (C)(3) not-for-profit corporation. Hispanic Housing Development Corporation is the limited partner with a 99.99% ownership interest.

At the time of closing on the construction financing, the general partner, Cicero and George Elderly Corporation, will have a .01% interest and the limited partner, Hispanic Housing Development Corporation, will be replaced with a "To Be Determined" entity purchasing the 9% Low Income Housing Tax Credits.

Experience: Hispanic Housing Development Corporation – Founded in 1975 as a not-for-profit organization to help create affordable housing in Chicago's Latino neighborhoods, and now helps people across the Chicago area improve their lives. To date, HHDC employs 190 people, and has developed over 3,600 homes, as well as 10 City funded projects which have produced 656 affordable units.

City-funded Projects completed by HHDC since 1993:

Year	Project /Description	Units
1993	Plaza Taino/ new senior housing development	60
2000	Home pride/ Scattered sites citywide (Humboldt Park and Diversey Areas) single family houses and buildings	196
2001	Gateway Apartments 7450 N. Rogers/ new 10 story building for Senior housing-mixed income development	120
2001	Vista North Condominiums/7732-42 N. Paulina St./Renovation of a 22 unit building into affordable condominiums	22
2003	Paseo Boricua Apartments/New affordable senior housing	59

2007	North and Talman Phase I/New affordable lease to own units	24
2008	North and Talman Phase II/New affordable Senior rental units	53
2009	Boulevard Courts affordable rental units	18
2011	North and Talman III rehabilitation-new affordable family rental units	33
2013	North and Pulaski Senior Housing affordable rental units	71

Because the proposed Cicero and George development will rent to independent seniors, there will be no supportive services offered on-site. However, the City of Chicago Department of Aging has a satellite senior center at the Senior Suites of Kelvyn Park building which is four blocks south on Cicero Avenue. The center offers a wide range of programs and facilities for seniors including a fitness center, computer lab, Golden Diners cafeteria, massage therapy room and caseworker office. The next closest senior center is the Northwest Senior Center at Milwaukee and Belmont Avenues; approximately 1.5 miles from the site. Additionally, Hispanic Housing maintains a vast network of referrals for tenants living in their buildings.

Other development team members:

Weese Langley Weese – Established in 1977, Weese Langley Weese is a full-service architectural practice that works primarily with institutional and not-for-profit organizations on a wide variety of project types and sizes for both new construction and adaptive reuse.

Tropic Construction – Specializing in residential and commercial property, Tropic has completed 44 projects totaling over \$148 million in development costs, constructing or rehabbing 2,459 units totaling \$95 million in development costs, and 127,000 s.f. of commercial space.

Applegate Thorne-Thomsen – Founded in 1998 on the belief that "healthy communities are the key to economic opportunity for all residents". Applegate Thorne-Thomsen specializes in new development as well as preservation and has represented numerous developers on City funded transactions.

V. PROPOSED PROJECT

New construction of a six-story, 70-unit building for seniors age 55 and over. Of the 70 units, 61 will be for seniors whose incomes range between 30-60% of the area median income (AMI), eight will be for seniors whose incomes range at or below 80% AMI, and one will be set-aside as

a janitors' apartment. The unit mix consists of one studio, 64 one-bedroom and five two-bedrooms. In addition to the units, the building will contain a community room, exercise/wellness room, atrium, terrace, community garden, and laundry room. In addition to the living and community spaces, there will also be a total of 23 on-site parking spaces.

A site plan, floor plans and elevation are provided as exhibits to this report.

Residential Unit Profile: The following table provides a detailed description of the affordable components of the proposed project. The subject property will provide a total of 70 housing units of which 61 units or 87 percent will be affordable for households earning no more than 60 percent of the area median income. These units will satisfy the Chicago Affordable Requirements Ordinance, which requires 10 percent of the total units to be affordable in projects developed on land sold by the City or 20 percent of the units in projects receiving TIF assistance.

Unit Profile

Unit Type	Number	AMI %	Size S.F.	Monthly Rent Received by Landlord	Total Rents*	FMR for Area
Studio/w bath	1	Affordable at 30%	530	\$320.00	\$ 320.00	\$694.00
1 bed/1 bath	7	Affordable at 30%	678	\$340.00	\$ 2,380.00	\$786.00
1 bed/1 bath	11	Affordable at 40%	678	\$470.00	\$ 5,170.00	\$786.00
1 bed/1 bath	28	Affordable at 50%	678	\$605.00	\$16,940.00	\$786.00
1 bed/1 bath	13	Affordable at 60%	678	\$770.00	\$10,010.00	\$786.00
1 bed/1 bath	5	Affordable at 80%	678	\$900.00	\$ 4,500.00	\$786.00
2 bed/1 bath	1	Affordable at 60%	867	\$850.00	\$ 850.00	\$932.00
2 bed/1 bath	3	Affordable at 80%	867	\$950.00	\$ 2,850.00	\$932.00
Total	70**	30-80%			\$43,020.00	

^{*} Utilities included in rent: heat, gas, sewer, water and trash removal. Tenant pays for electricity.

** This project will include a total of 70 units; however, one unit will be a residential manager's unit.

The affordable rent paid by the tenant is based on the tenant's income and not on market comparables. The maximum rent for each defined "affordable" income level is published annually by the US Department of Housing and Economic Development and listed according to building construction type (i.e. apartment, townhouse, house), number of bedrooms and household size. Rent per square foot is not considered except that HUD housing quality standards and Chicago zoning and building codes set minimum room and unit sizes. Different federal funding development and operating support sources may have different maximum income and rent restrictions.

When developers determine the rent to charge for a project that is using HUD program subsidies through one of the City of Chicago's Multifamily Financing programs, the developer is required to establish market-area rents by commissioning a market study of the targeted market area. The developer is allowed to charge the lesser of HUD-estimated Fair Market Rent or the rent cap by income group (i.e., the 60% rent), but must also take into consideration the localized rent for the development's targeted market area, which is often much lower than the HUD FMR, and may be the same as, or even lower than, the "affordable" rent levels.

Environmental Features: The project will comply with the Chicago Green Home Requirements and at a minimum achieve energy star rating by incorporating a water retention system, permeable pavers, "R" values in ceilings, walls, and windows, energy star appliances, and double glazed low "E" coated windows.

VI. FINANCIAL STRUCTURE

Funding for this proposed project will consist of loans and grants secured from various public sources. The sale of 9% low income housing tax credits will generate \$11,845,000 or 55% of equity for the benefit of the project, which will be paid in traunches at various milestones, with the first payment coming at closing, and the remainder funded at stages throughout construction to completion, and finally at occupancy of the building.

TIF funds will be contributed from the Belmont Cicero TIF district and will account for 19% of the financing. A total of \$4,000,000 in TIF increment will be used to pay or reimburse the Developer for TIF eligible costs, and will be paid in two installments of \$2,000,000. The TIF payments will be taken from area-wide incremental taxes collected from the Belmont Cicero TIF Redevelopment project area, and any available increment from the Project PINS. The first collection will occur during the construction period, after the closing of the RDA.

DPD has preliminarily set-aside loan funds up to \$5.1 million, which will be contributed over time to help pay for construction costs and eligible soft costs. Additionally, the developer has secured grants of \$420,000 from the Federal Home Loan Bank (FHLB) Affordable Housing Program, and a \$320,000 energy grant from DCEO. Rounding out the funding will be a \$75,000 grant from the Illinois Clean Energy Fund (ICEF).

SOURCES AND USES OF FUNDS:

Sources:	Amount:	% of Total:
DPD HOME Funds	\$ 4,935,563	23%
Belmont-Cicero TIF Funds	\$ 4,000,000	19%
FHLB AHP Funds	\$ 420,000	2%
DCEO Energy Grant	\$ 320,000	1%
ICEF Grant	\$ 75,000	.003%
GP Contribution	\$ 100	.000005%
Tax Credit Equity	\$11,845,000	55%
Total Sources	\$21,595,663	100%

Uses:	Amount:	\$/sf of Building*:
Land Acquisition	\$ 2,789,000	\$ 36.88
Hard Costs:		
Construction	\$14,673,400	\$ 194.05
Construction Contingency	\$ 644,400	\$ 8.52
Total Hard Costs:	\$15,317,800	\$ 202.57
Soft Costs:		
Architect Fees: Design/Supervision	\$ 575,000	\$ 7.60
Engineering Fees	\$ 90,000	\$ 1.19
Legal Fees	\$ 245,000	\$ 3.24
Permit/Application Fees	\$ 139,900	\$ 1.85
Title and Recording Fees	\$ 35,000	\$ 0.46
Phase I Environmental Report	\$ 55,000	\$ 0.73
Construction Interest	\$ 494,000	\$ 6.53
Construction Loan Points	\$ 80,000	\$ 1.06
Permanent Loan Points	\$ 40,000	\$ 0.53
Lease-Up & Replacement Reserves	\$ 146,000	\$ 1.93
Operating Reserve	\$ 320,000	\$ 4.23
Real Estate Taxes/Liability Insurance	\$ 55,000	\$ 0.73
Tax Credit Issuer Fees	\$ 50,000	\$ 0.66
Developer Fee	\$ 1,000,000	\$ 13.22

Other Soft Costs	\$ 163,963	\$ 2.17	
Total Uses:	\$21,595,663	\$ 285.57 psf	

^{*}Gross building area is 75,615 square feet

VII. PUBLIC BENEFITS

The proposed project will provide the following public benefits.

Affordable Housing: The project will provide 69 new affordable housing units.

Environmental Features: The project will incorporate a water retention system, permeable pavers, "R" values in ceilings, walls, and windows, energy star appliances, and double glazed low "E" coated windows.

Permanent Jobs: The project is estimated to generate four permanent jobs as follows: Property Manager 100% time; Maintenance Supervisor 100% time; Assistant Manager 50% time; Janitor 50% time.

Construction Jobs: The project will produce 96 temporary construction jobs.

Affirmative Action: The developer will comply with the requirements of Chicago's affirmative action ordinance, which requires contract participation of 24% by minority-owned business enterprises (MBEs) and 4% by woman-owned business enterprises (WBEs). The developer has provided notification of the proposed project, by certified mail, to several associations of minority and women contractors. A sample version of the letter and copies of the post office receipts for the certified letters are presented as exhibits to this report.

City Residency: The developer will comply with the requirements of Chicago's city residency ordinance, which requires that at least half of all construction-worker hours be filled by Chicago residents. The developer will also comply with the requirement that all construction jobs are paid the prevailing wage.

VIII. COMMUNITY SUPPORT

Alderman Suarez endorses the project and has provided a letter of support (see exhibits for copy).

IX. CONFORMANCE WITH REDEVELOPMENT AREA PLAN

The proposed project is located in the Belmont Cicero Tax Increment Financing Redevelopment

Project Area. The current land use plan calls for commercial use on this site. The generalized land use map of the TIF plan is currently in the process of being amended and approved by City Council in July 2014, so that the generalized land use of the proposed project site will conform to the proposed residential use.

X. CONDITIONS OF ASSISTANCE

If the proposed resolution is approved by the CDC, DPD will negotiate a redevelopment agreement with the developer. The redevelopment agreement will incorporate the parameters of the proposed project as described in this staff report.

It is DPD policy that no business will be conducted with a development entity whose any principal has outstanding municipal debts (such as unpaid parking tickets, unpaid water bills, unpaid business licenses, and others), is in arrears of child support payments, or who is a debtor in bankruptcy, a defendant in a legal action for deficient performance, a respondent in an administrative action for deficient performance, or a defendant in any criminal action.

Closing will not occur before the City Council has approved the redevelopment agreement and the developer has obtained all necessary City approvals including zoning and building permits. The documents will include a development timetable.

XI. RECOMMENDATION

The Department of Planning and Development has thoroughly reviewed the proposed project, the qualifications of the development team, the financial structure of the project, its need for public assistance, its public benefits, and the project's conformance with the redevelopment area plan, and DPD recommends that the CDC recommend to the City Council the designation of Cicero and George Limited Partnership as Developer for the development of the Cicero and George Elderly Housing project at 4800 West George.

EXHIBITS

TIF Project Assessment Form
Redevelopment Area Map
Neighborhood Map or Aerial
Survey or Plat
Site Plan
Typical Floor Plan
Front Elevation or Rendering
Sample M/WBE Letter
Copies of M/WBE Certified Letter Receipts
Lender's Letter of Interest
Alderman's Letter of Support

TIF PROJECT SCORECARD

CICERO & GEORGE SENIOR HOUSING

2900 North Cicero Avenue

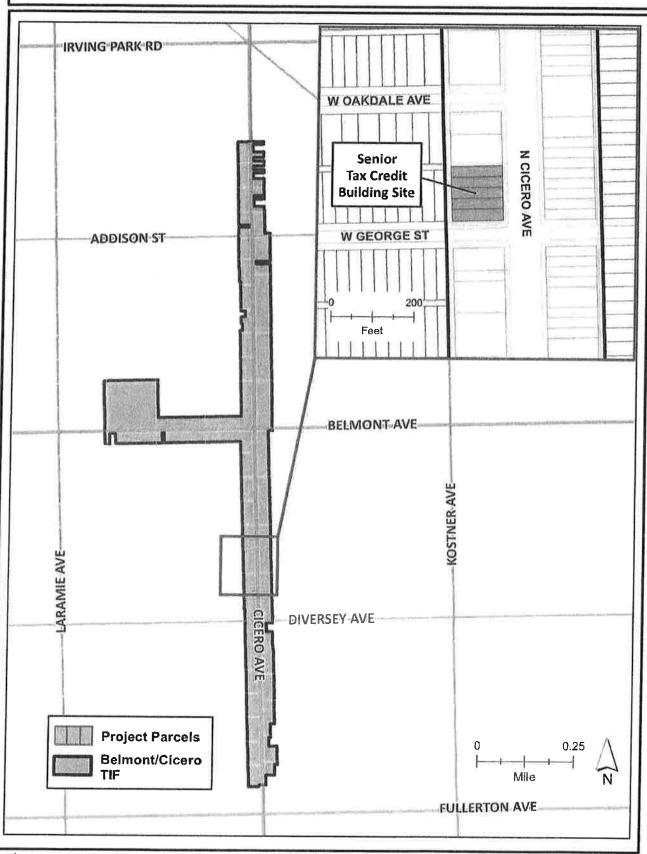
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Type of Project: Residential - Affordable Housing	Developer: Hispanic Housing Development Corporation
Total Project Cost:\$21,595,663	Timeline for Completion: July, 2015
TIF Funding Request: \$4,000,000 TIF District: Belmont/Cicero	Project Status: June CDC
RETURN ON IN	NVESTMENT BENCHMARKS
Advances Goal of Economic Development Plan YE	S or NO Jobs Created/Retained 4 permanent created / 96 temporary construction jobs
Develop and deploy neighborhood assets to align with region	onal econ growth
Advances Goal of TIF District YES or NO	Affordable Housing Units Created/Preserved 70 units created
Improve the condition and appearance of properties in th	е Агея
Addresses Community Need YES or NO	Return on Investment to City NA
Affordable Housing	
FINANC	CIAL BENCHMARKS
Other Funds Leveraged by \$1 of TIF \$5.39	Financing Structure DPD HOME Funds:\$4,935,563/ Tax Credit Equity: \$11,845,000/ FHLB AHP: \$420,000/ DCEO Energy: \$320,000/ ICFE Grant: \$75,000/ GP Contribution
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\$5.39	\$11,845,000/ FHLB AHP: \$420,000/ DCEO Energy: \$320,000/ ICEF Grant: \$75,000/ GP Contribution
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\$5.39 Types of Other Funding Leveraged YES or NO See Financing Structure Payment Schedule: \$2,000,000 during construction;\$2,000,000 COC Taxpayer Protection Provisions YES or NO	\$11,845,000/ FHLB AHP: \$420,000/ DCEO Energy: \$320,000/ ICEF Grant: \$75,000/ GP Contribution \$100 RDA TERMS Monitoring Term of Agreement:
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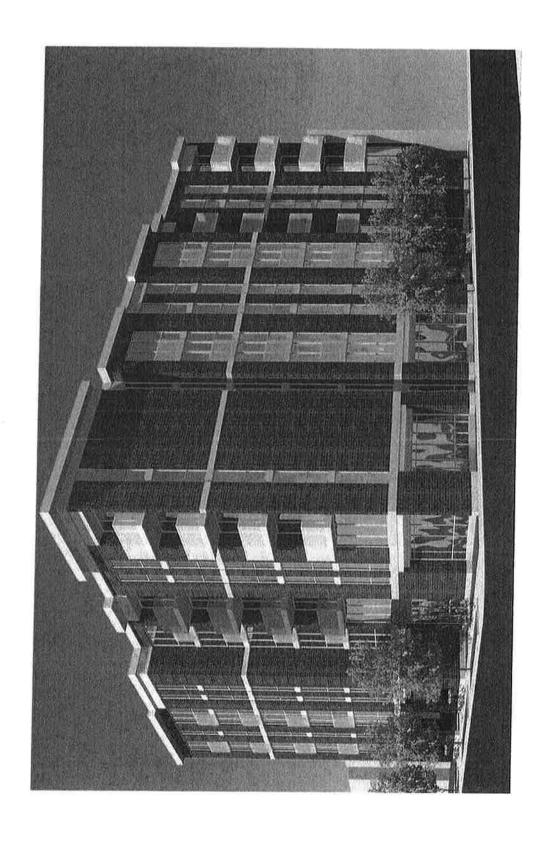
TIF Boundary Context

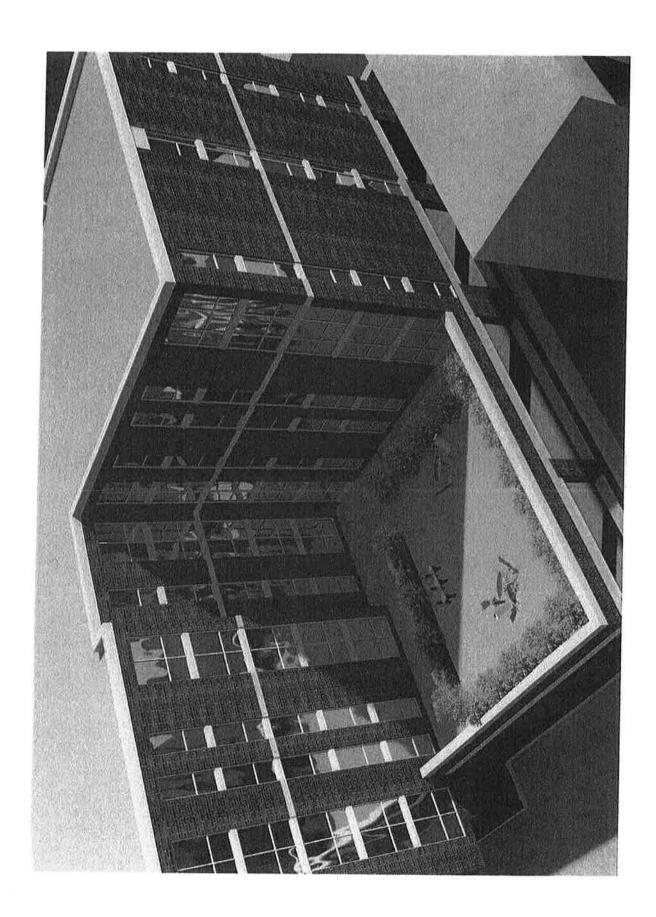
Hispanic Housing: Cicero & George Project



Boundaries – Oakdale to the north, Lamon to the west, Cicero to the east, and George street to the south. Access to the building will be on George street.









Black Contractors United 12000 Marshfield Street Calumet Park, IL 60827

BY CERTIFIED MAIL

Re: 4800 W. George Street



Hispanic Housing Development Corporation is pleased to announce the redevelopment of the Cicero and George Elderly Apartments, located at 4800 W. George, Chicago, Illinois. The 16,600 Square Foot property will be redeveloped into affordable housing.

Hispanic Housing has chosen Tropic Construction to be the general contractor for the project. The project will require participation of trades such as carpentry, electrical, mechanical, plumbing, paving, roofing, and others. Attached to this letter is the project budget, which identifies the items subject to minority business enterprise (MBE) participation of 24 percent and women business enterprise (WBE) participation of 4 percent. The attachment also includes the estimated project schedule and contact information for the general contractor.

At your request, the general contractor will meet with a representative of your organization to present the project budget and schedule. At your request, the general contractor will also provide your organization with one copy of the project bid documents (including plans and specifications).

Hispanic Housing is requesting that you make your member companies aware of this exciting project so that they may submit bids for appropriate subcontracting opportunities. Should you have any questions, please do not hesitate to call.

Sincerely,

Mark Kruse



Federation of Women Contractors 5650 S. Archer Avenue Chicago, IL 60638

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Sincerely,

Mark Kruse



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

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Sincerely,

Mark Kruse

MEG



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

BY CERTIFIED MAIL

Re: 4800 W. George Street

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Sincerely,

Mark Kruse



Illinois Hispanic Chamber of Commerce 855 W. Adams Street Chicago, IL 60617

BY CERTIFIED MAIL

Re: 4800 W. George Street



Hispanic Housing Development Corporation is pleased to announce the redevelopment of the Cicero and George Elderly Apartments, located at 4800 W. George, Chicago, Illinois. The 16,600 Square Foot property will be redeveloped into affordable housing.

Hispanic Housing has chosen Tropic Construction to be the general contractor for the project. The project will require participation of trades such as carpentry, electrical, mechanical, plumbing, paving, roofing, and others. Attached to this letter is the project budget, which identifies the items subject to minority business enterprise (MBE) participation of 24 percent and women business enterprise (WBE) participation of 4 percent. The attachment also includes the estimated project schedule and contact information for the general contractor.

At your request, the general contractor will meet with a representative of your organization to present the project budget and schedule. At your request, the general contractor will also provide your organization with one copy of the project bid documents (including plans and specifications).

Hispanic Housing is requesting that you make your member companies aware of this exciting project so that they may submit bids for appropriate subcontracting opportunities. Should you have any questions, please do not hesitate to call.

Sincerely,

Mark Kruse



Association of Asian Construction Enterprises 333 N. Ogden Avenue Chicago, IL 60607

BY CERTIFIED MAIL

Re: 4800 W. George Street



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Sincerely,

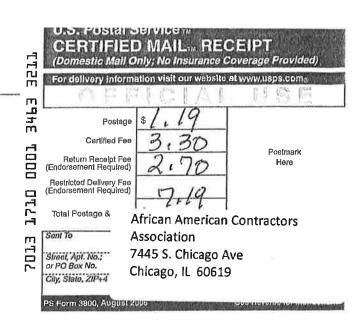
Mark Kruse



African American Contractors Association 7445 South Chicago Avenue Chicago, IL 60619

BY CERTIFIED MAIL

Re: 4800 W. George Street



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Sincerely,

Mark Kruse

Hispanic Housing Development Corporation Cicero and George Elderly Housing

2014 Schedule

Permit Application

January 1014

Permit Approval

June 2014

Construction

July 2014 - August 2015

Operational

September 2015

Project Budget

Construction (subject to MBE-WBE)

\$14,500,000

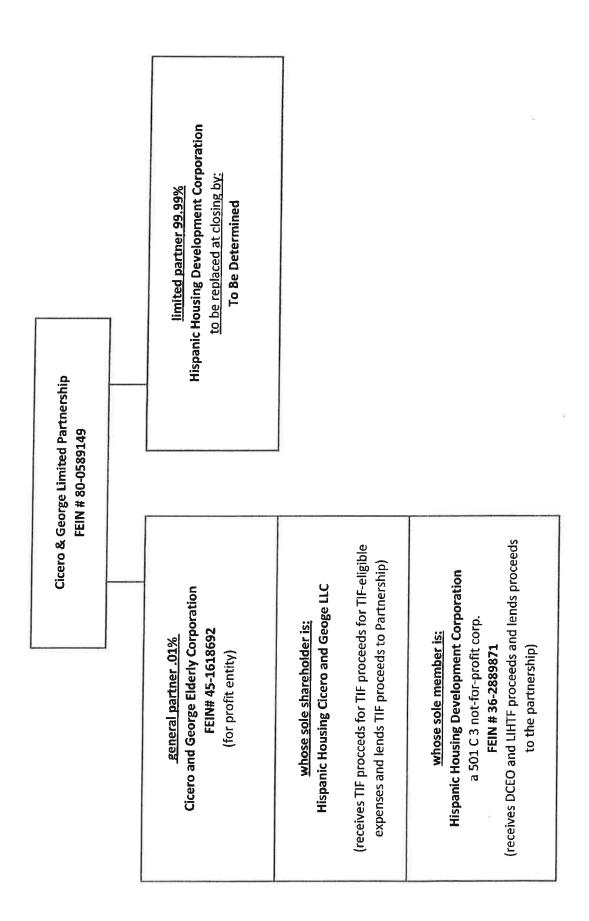
Architectural

575,000

Contact

Lalo Edery Chief Financial Officer Tropic Construction Corporation 325 N. Wells, 8th Floor Chicago, IL 60654 Phone: (312)602-6540

Fax: (312)602-6541



City of Chicago Workforce Solutions Unit Employer Personnel Needs Assessment

The following Employer Personnel Needs Assessment (EPNA) document provides projections on job creation for TIF funded projects. Please complete the following information related to this project. If you have questions or need assistance, please contact the staff listed below.

Company Information	
Company Name: Hispanic Hosuing Developmen Ad	Idress 1: 325 N. Wells
Contact Person/Title: Mark Kruse/ Vice President Adv	Idress 2: 8th Floor
Telephone: (312)602-6500 City/Si	tate/Zip: Chicago, IL 60654
Email: mkruse@hhdevcorp.com Industry Desc	cription: affordable housing
HR Contact/Title: Mary Reyes Tele	ephone: (312)602-6500
Email: mreyes@hhdevcorp.com	
# of Existing Jobs: 190 # of Nev	w Jobs: -4

Job Creation Information

Please list the new job titles below and include the number of estimated positions for each title, technical skills required and start date. Please indicate if they are full or part-time positions.

Position/Title	# of Postions (F/Pt time)	Technical Skills	Estimated Wage/Salary	Estimated Start Date
Property Manager	1	leasing, file maintennace, property management	\$ 36,000.00	Oct-15
Assitant Manager	1	clerical	\$ 15,000.00	Oct-15
Maintennace Supervisor	1	maintain systems, oversee scheduled maintenance	\$ 40,000.00	Oct-15
Janitor	1	cleaning, maintenance	\$ 16,500,00	Oct-15

A detailed job description for each position will be required for the Employment Plan.

Please return this form to staff in the Workforce Solutions Unit listed below.

Emily Bradley City Hall - Room 1003 121 N. LaSalle Street Chicago, IL 60602

Phone: 312-744-8565

email: emily.bradley@cityofchicago.org

If applicable, you will be contacted by the Workforce Solutions staff to complete an Employment Plan prior to your TIF application submission to City Council.



Federal Home Loan Bank of Chicago

200 East Randolph Drive

Chicago, Illinois 60601

December 3, 2013

4

Mr. John Bernhard
One Mortgage Partners Corporation
10 South Dearborn Street
19th Floor
Chicago, IL 60603

Mr. Mark Kruse Vice President Hispanic Housing Development Corporation 325 N Wells Street, 8 floor Chicago, IL 60654-7023

Dear Mr. Bernhard and Mr. Kruse:

Congratulations! It is with great pleasure that I notify you of your award. Your 2013 Affordable Housing Program (AHP) submission, application number 3032, has been approved by the Federal Home Loan Bank of Chicago (Bank).

The approval is contingent upon the fulfillment of all of the conditions specified in the enclosed attachment. Both the member institution and the sponsor must sign the attached acknowledgement and return it to the Bank prior to close of business on December 17, 2013.

The following denotes the amount of subsidy approved and the approved project number. Please refer to this number in future correspondence regarding this project:

Project #	Application #	Subsidy Amount	Project Name
2013A07055	3032	\$420,000	Cicero and George Elderly

The award is based on commitments made in the application (such as income targeting, special needs units, homeless, first-time homebuyers, etc.), budget information, and project financing. Changes to the commitments, project costs, and terms or amount of project financing prior to funding of the AHP award, and/or prior to project completion could jeopardize the award. If you believe the attached commitments are inconsistent with commitments made in your application or are contemplating any changes to the project please contact one of our Community Investment staff members.

An Affordable Housing Program (AHP) award requires the member and sponsor to complete timely reporting on the status of the project. Compliance reporting will begin in 2014 and remain a requirement through the end of the project's retention period (i.e. 5 years for homeownership projects and 15 years for rental projects). All representations and commitments made in the approved AHP application will be continuously evaluated and confirmed through project completion reporting. Please note that any changes to the project's sources and uses, operating pro forma, and/or scoring commitments may jeopardize the AHP award. Failure to comply with reporting requirements may have an adverse impact on future AHP applications.

Approval of the award becomes effective as of November 25, 2013. A Subsidy Agreement will be forwarded under separate cover by mid December. This agreement must be executed and returned to the Bank prior to disbursement of the award. The language in the subsidy agreement is not subject to change.

Should you have any questions, contact the Community Investment Department at (312) 565-5824.

Sincerely.

Sam Nicita

Samuel J. Nicita

Senior Vice President & Community Investment Officer

Enclosure



Federal Home Loan Bank of Chicago

200 East Randolph Drive

Chicago, Illinois 60601

To Mr. John Bernhard Mr. Mark Kruse

From Sam Nicita

Senior Vice President & Community Investment Officer

Date December 3, 2013

Subject Condition of AHP Award - Project # 2013A07055

The undersigned parties acknowledge, understand, and agree that the AHP award is contingent upon satisfactory resolution of the following issues.

- Evidence of LIHTC reservation
- Evidence of HOME or CDBG funds

All conditions must be satisfied prior to or at disbursement. Awards conditional on receipt of a Low Income Housing Tax Credit, will have 12 months from award date (November 25, 2013) to evidence allocation. If this requirement is not met, the project runs the risk of de-obligation of the AHP subsidy.

By: Mr. John Bernhard	By: Mark Kruse
For: One Mortgage Partners Corporation	For: Hispanic Housing Development Corporation
Its: Vice President	Its: Vice President
Date:	Date: 12/10/13

Please sign and forward this acknowledgement to CI@fhlbc.com prior to close of business on December 13, 2013.



Affordable Housing Program Summary of Application Commitments

Rental Projects Round 2013A

Project Information

Project Name:

Cicero and George Elderly

Project Number:

2013A07055

Application Number: 3032

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The following commitments were made at application and adjusted to minimum thresholds where applicable. The commitments set at project award will govern, unless a modification is approved. Please contact the Bank immediately at (312) 565-5824 if there is a disagreement with the commitments detailed below.

Criteria	Commitmen
Donated/Discounted Government or Other Properties	p onsee that in
Percent of Land Donated	0.0%
Percent of Units Donated Percent Discount on FMV	0.0%
	0.0%
Project Sponsorship	
Sponsor is a not-for-profit organization, a state or political subdivision of a state, a state housing agency, a local housing authority, a Native American Tribe, an Alaskan Native Village, or the government entity for Native American Home Lands, AND has an ownership interest that exceeds 50% of the managing member, general partner, or overall property ownership.	Yes
Sponsor will play at least two of the four following integral roles in the project by: (1) developing the project, (2) providing property management of the project, (3) directly providing empowerment services as defined in the 2013 FHLBC Implementation Plan, or (4) directly providing supportive services to the residents of a permanent supportive housing project as defined in the 2013 FHLBC Implementation Plan.	Yes
Income Targeting	
# units ≤ 50% Area Median Income	47 Units
# units 51 - 60% Area Median Income	14 Units
# units 61 - 80% Area Median Income # units > 80% Area Median Income	8 Units 1 Unit
Total Units	70 Units
Housing for Homeless Households	
Minimum # of units reserved for homeless households	0 Units
Promotion of Empowerment	
Minimum # of empowerment services to be offered (Employment services, financial literacy, education related to economic empowerment, youth education, assistance accessing benefits and/or entitlements, income tax preparation assistance, pre-purchase homebuyer counseling, post-purchase homeowner counseling, sweat-equity programs)	1 Service
Special Needs	
Minimum # of units reserved for special needs households (Individuals with physical, mental, or development disabilities; recovering from physical, alcohol, or drug abuse; with HIV or AIDS. Visitable Units.)	0 Units
Rural Housing	
Minimum # of units in rural locations	0 Units
In-District Projects	



Affordable Housing Program Summary of Application Commitments

Rental Projects Round 2013A

Member Financial Participation	
Member or member participant will provide: Long-term financing with a minimum term of 15 years to the project (i.e., permanent financing, letter of credit for credit enhancement, or direct purchase of tax credits), the sum total of which constitutes ≥ 10% of total development cost OR provide financing for the proposed rehabilitation ≥ 10% of total development cost for projects consisting of rehabilitation-only.	No
Provide long-term financing with a minimum term of 15 years to the project (i.e., permanent financing, letter of credit for credit enhancement, or direct purchase of tax credits), the sum total of which constitutes ≥ 5% and < 10% of total development cost OR if a member has an existing permanent loan on a project consisting of rehabilitation only.	No
Provides intermediate or short-term financing to the project (i.e., primary construction or bridge loan, or performance guaranty letters of credit).	Yes
Subsidy Per Unit	
AHP subsidy per targeted unit (units ≤ 80% of Area Median Income)	\$6,087
Elimination of Blighting Influences	y iz impantici maje
Minimum # of units that were previously: Foreclosed or acquired via short-sale Vacant or abandoned	0 Units 0 Units
Preservation of Affordable Rental Housing	
100% of units will involve the preservation of existing affordable rental housing with land use, restrictive use, or tax credit covenants that have expired or will expire within the next 5 years.	No
Permanent Supportive Housing	o in Waller
Minimum # of permanent supportive housing units, defined in the 2013 FHLBC Implementation Plan.	0 Units
Fargeted Areas	areas values a
100% of units located in one of the following: HUD qualified Census Tracts ("QCT") Neighborhood Stabilization Program ("NSP") census tracts Census tracts where the median income equals or exceeds the median income for the county or metropolitan area (i.e., 'mixed-income locations')	No
Valkability	
vidence of Walkscore of ≥ 50.00 points	Yes
ocal Government Support	
ocal Government Support upport by a unit of local government (Property tax deferment or abatement, infrastructure approvements, zoning variances, or fee waivers)	Y

Mark Kruse

F 40 F 9

From: Wichmann, Jennifer < JWichmann@fhlbc.com>

Sent: Tuesday, December 03, 2013 11:00 AM

To: Mark Kruse

Cc: 'john.d.bernhard@chase.com'

Subject: AHP Application Notice: 3032 | Cicero and George Elderly

Attachments: 3032.pdf

The Federal Home Loan Bank of Chicago's Affordable Housing Program (AHP) assists in the creation and preservation of affordable housing. The 2013 program was very competitive with 143 applications requesting over \$43 million in AHP funds. We applied each applicant for the dedication and innovation that goes into strengthening our communities.

The FHLBC is awarding approximately \$28.3 million for 99 projects. Our partners — FHLBC shareholders, local developers, community organizations, and public agencies — will leverage these funds with other financing sources to purchase, construct, rehabilitate, or preserve over 4,595 affordable rental or owner-occupied units.

Attached is a letter indicating the final status of your 2013 application. We appreciate your participation in the program. As always, we welcome your comments and questions; feel free to reach out to our Community Investment team by contacting us at (312) 565-5824. Look for details on our 2014 program in our first quarter 2014 Community First newsletter.

Regards,

Sam Nicita and the Community Investment Group

The information contained in this communication is confidential, is intended only for the use of the recipient named above, and may be legally privileged. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please resend this communication to the sender and delete the original message or any copy of it from your computer system. Thank You.



CITY COUNCIL- CITY OF CHICAGO
CITY HALL, ROOM 203
121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602
TELEPHONE: (312) 744-6102
FAX: (312) 744-0770

RSUAREZ@CITYOFCHICAGO.ORG

RAY SUAREZ

ALDERMAN, 31ST WARD VICE MAYOR - CITY OF CHICAGO

4502 WEST FULLERTON AVENUE CHICAGO, ILLINOIS 60639 TELEPHONE: (773) 276-9100 FAX: (773) 276-2596

WWW.WARD31.COM

COMMITTEE MEMBERSHIPS:

Housing and Real Estate (Chairman)

COMMITTES, RULES AND ETHICS (VICE-CHAIRMAN)

AVIATION

BUDGET AND GOVERNMENT OPERATION

FINANCE

Transportation and Public Way
Workforce Development and Audit
Zoning, Landmarks and Building Standards

April 25, 2014

Mr. Andrew Mooney Commissioner Department of Housing and Economic Development 121 N. LaSalle Street, Room 1000 Chicago, IL 60602

Re:

Hispanic Housing Development Corporation North-West Corner of Cicero and George

Commissioner Mooney:

I am writing to express my support of Hispanic Housing Development Corporation's application for financing to develop the North-West Corner of Cicero and George in the 31st Ward. This site has been an eyesore in our community for some time, and I have worked with Hispanic Housing to formulate a development proposal to meet the needs of our community. I believe their proposal for "Near Elderly" Housing in an attractive design for this high-traffic corridor will be another asset to the City's inventory of affordable housing. In this regard, I recently rezoned the site to accommodate this development.

I have personally presented this project to the business and community leaders of my community and received their support of this development that will create needed investment and improvement to the Cicero corridor.

Your assistance in this important project is appreciated. If you have any questions in this regards, please feel free to contact me directly.

Sincerely,

Ray Suarez

Alderman, 31st Ward

RS/aer

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO

RESOLUTION NO. 14 - CDC -

AUTHORIZATION TO NEGOTIATE A REDEVELOPMENT AGREEMENT WITH CICERO AND GEORGE LIMITED PARTNERSHIP

AND

RECOMMENDATION TO THE CITY COUNCIL OF THE CITY OF CHICAGO FOR THE DESIGNATION OF CICERO AND GEORGE LIMITED PARTNERSHIP AS 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 99-CDC-235 and pursuant to the Act, enacted three ordinances on January 12, 2000 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the Belmont/Cicero 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, Cicero and George Limited Partnership (the "Developer"), has presented to the City's Department of Planning and Development (the "Department") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of the construction of a six-story, 70-unit building and approximately 23 on-site parking spaces (the "Project"); and

WHEREAS, DPD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that the Department 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 the Department 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:	, 2014

Attachment: Exhibit A, Street Boundary Description

EXHIBIT A

Street Boundary Description of the Belmont/Cicero Tax Increment Financing Redevelopment Project Area

The Area is of linear shape and encompasses the property along Cicero Avenue from Grace Avenue on the north to Montana Avenue on the south. Additionally, an east/west linear section follows Belmont Avenue on the west.