



CITY OF CHICAGO • OFFICE OF THE MAYOR



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**DOH ISSUES \$100 MILLION IN BOND FUNDS FOR PHASE THREE OF THE
LATHROP HOMES**

CHICAGO - The Chicago City Council and the Department of Housing (DOH) have approved an ordinance issuing \$100 million in tax-exempt housing revenue bonds for the third phase of the Lathrop Homes redevelopment.

This phase will produce 309 new/rehabbed, mixed-income units in a combination of a newly constructed building (59 City units), and seven rehabbed buildings (250 units). Bonds will be issued to Lathrop Homes 1C, LP, or an entity acceptable to the Department of Housing Commissioner.

The development will also demolish three buildings and rehabilitate the powerhouse which is critical to securing the historic tax credits required for the project. The powerhouse will be structurally repaired, the smokestack will be repointed and rebuilt, and the interior will be built out as a 'grey box' that can be built out by a future tenant once they are identified. Other amenities will include landscaped courtyards and off-street parking.

Total development costs are approximately \$201,920,777, and in addition to the use of tax-exempt bonds, 4% tax credit equity generated from the bonds and tax credit equity generated from State and Federal Historic Tax Credits (HTC) will be used. Other funding will consist of Tax Increment Financing (TIF), Chicago Housing Authority (CHA) loan funds, a first mortgage, Illinois Affordable Housing Tax Credits which will be generated from the value of the CHA-owned land, a deferred developer fee and a seller's note.

Related Midwest and Bickerdike Redevelopment Corporation were selected by the CHA in 2010 to be the master developer for the Lathrop Homes redevelopment through a Request for Qualification. To date, 487 mixed-income units have been



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developed, as well as 11 acres of green space, including the two-acre “Great Lawn” and public access to the Chicago Riverfront. As part of the CHA’s Plan Forward, once complete, Lathrop Homes is to produce 1,116 units of mixed-income housing and approximately 75,000 square feet of retail/commercial space. Construction and rehabilitation will commence after the closing of the financing which is expected to occur in the first quarter of 2025.

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FIVE AFFORDABLE UPTOWN PROPERTIES TO UNDERGO REHABILITATION

CHICAGO – The Chicago City Council and Department of Housing approved an ordinance to issue \$15 million in Wilson Yards TIF for the rehabilitation of 103 units in the Uptown community area.

Four of the five properties are located in the Wilson Yards TIF district. The fifth building will not use TIF, but rather will be funded from other sources. 100% of units will be affordable with households earning no more than 80% of the AMI.

The buildings were last rehabbed fifteen years ago. The 2024 rehab will prioritize repairs and upgrades to major building systems, including replacement of roofs, replacement of windows, masonry repairs, repairs to plumbing infrastructure, upgrade of HVAC equipment for better performance and greater efficiency, unit interior and common area upgrades.

Heart of Uptown Apartments LLC will be formed as an Illinois LLC and consist of Managing Member Heart of Town Apartments MM LLC which will be 100% owner until the investor member is admitted. Preservation of Affordable Housing, Inc., or POAH, which will be 75% owner until the investor member is admitted. The remaining 25% owner will be HUPA Voice LLC.

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DOH ISSUES \$25.4 MILLION TO BUILD AFFORDABLE HOUSING UNITS IN PILSEN

CHICAGO - Chicago’s City Council approved ordinances to issue up to \$25.4 million in financing to Casa Yucatan, LP for the development of new construction in Pilsen.

Casa Yucatan will feature a 4% & 9% Low Income Housing Tax Credit (LIHTC) twin structure to achieve an 8-story building including a 98-unit affordable development



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to serve low-income families earning up to 15%, 30% and 70% Area Median Income (AMI) with income averaging.

This project will include 20 parking spaces, 10 accessible units, and 98 bike parking spaces. The Resurrection Project (TRP) has also secured a commitment from the Chicago Low Income Housing Trust Fund (CLIHTF) through the MAUI program for 10 units.

The 4% project will receive \$13.4 million in Multi-Family Program Funds and \$9.6 million in HOME funds. The 9% project will receive \$2.4 million in Multi-Family Funds.

The ordinances also allowed for the designation of Casa Yucatan, LP as the developer of the 9% deal and assign Casa Yucatan 4 GP, LP as the developer of the 4% deal or similar entity as developer. TRP acquired the property in 2021 with priority to address the affordable housing crisis in the Pilsen community.

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