



CITY OF CHICAGO • OFFICE OF THE MAYOR



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**CHICAGO PASSES ORDINANCE TO ISSUE MORE THAN \$13 MILLION FOR
AFFORDABLE HOUSING ON SOUTH SIDE**

Chicago - Today, through finance proposed by the Chicago Department of Housing and Mayor Brandon Johnson, the City of Chicago will issue up to \$13 million for the development of Sacred Apartments on the city's South Side.

Located in South Chicago at 9212 South Burley Avenue, the new five-story elevator building will feature a mix of 15 studios, 11 one-bedrooms, 21 two-bedrooms, 25 three-bedrooms, and nine four-bedrooms. All 81 units will be tax credit eligible, with 20% targeting households at or below 60% of the Area Median Income (AMI), 60% targeting households at or below 50% AMI, and 20% set aside for households at or below 30% AMI.

The development will also include a first-floor front desk, community room, property management and social service offices, and retail space on the 92nd Street frontage, funded separately. A 44-space parking lot is designed for the south end of the building.

The financing of the project will leverage various sources, including up to \$23,000,000 in tax-exempt housing revenue bonds issued by the City of Chicago, a \$5,000,000 TIF grant from the South Chicago TIF district, a \$1,305,362 grant from the Chicago Recovery Plan for Permanent Supportive Housing, and an up-to \$6,694,638 loan from HOME funds. Additional funding will be provided through a private loan, a loan from the Illinois Housing Development Authority (IHDA), as well as grants from ComEd and Community Neighborhood, accrued interest & GIC Income, GP Equity, and a deferred developer fee.

The ordinance also approved the conveyance of seven City-owned lots appraised at \$119,842 to the developer for the nominal sum of \$7.

SACRED Apartments Owner LLC will serve as the project owner. The General Partner, SACRED Apartments Developer LLC, will hold 0.01% ownership, with 60%



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owned by The Interfaith Housing Development Corporation of Chicago and 40% owned by Claretian Associates, Inc—both not-for-profit corporations committed to community development.

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CHICAGO DEPARTMENT OF HOUSING CELEBRATES PASSAGE OF ORDINANCE ENABLING PEAR PROGRAM ACQUISITION

The Chicago Department of Housing (DOH) is pleased to announce the successful passage of an ordinance through City Council today, authorizing the acquisition of three strategically located buildings via DOH's Preservation of Existing Affordable Rentals (PEAR) program.

Overseen by Carlos Robles-Shanahan and Rafael Robles, executive directors of Duo PEAR and sponsors of this initiative, the acquisition aims to preserve affordable housing in Chicago's Hermosa, Belmont Cragin, and Albany Park neighborhoods over a 30-year period.

More specifically, the three buildings are located at 2537 North Lowell Avenue, 2904 North Linder Avenue, and 4510 North Central Park Avenue. Collectively, these buildings comprise eight units, each of which will be designated as 100% affordable at or below 80% area median income (AMI).

Residents will have the opportunity to become co-investors in the buildings, sharing in potential returns. Tenants will also have the option to be treated as investors by incorporating a portion of their monthly rent as an equity contribution, promoting wealth-building during the rental period. Additionally, the project will explore various models of housing affordability, including free housing and wraparound tenant services to encourage homeownership.

The lead lender for this significant transaction is the Illinois Facilities Fund (IFF). The senior IFF loan will undergo a reduction and resizing facilitated by a proposed \$100,000 in PEAR loan assistance. Importantly, none of the units require major rehabilitative work.

Duo Development is actively seeking assistance from Elevate Energy, a Chicago-based nonprofit dedicated to providing residents with clean and affordable utilities.

While potential future collaboration with Elevate Energy is part of the project's preliminary plan, it does not impact current financing costs.



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Hermosa, Belmont Cragin, and Albany Park are predominantly Hispanic or Latino neighborhoods. Each area has a significant percentage of households spending 30% or more of their income on housing costs. To maintain 100% affordability, Duo is collaborating with Communities United, a community-led racial justice organization that actively promotes affordable housing, immigrant rights, and other causes through collective action. Communities United's strong presence in these neighborhoods is evident through their work on the ROOTS (Renters Organization Ourselves To Stay) initiative.

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NEW AFFORDABLE SENIOR HOUSING PROJECT PLANNED FOR CHICAGO'S WASHINGTON HEIGHTS

The City of Chicago, through financial measures introduced by the Chicago Department of Housing and Mayor Brandon Johnson, has agreed to the issuance of up to \$3.2 million in new grant funds for the rehabilitation of a six-story, 60-unit masonry constructed elevator apartment located at 8915 S. Loomis Street in Washington Heights.

The building, originally constructed in 2000, operated as an age-restricted multi-family rental property for low-income residents, with an adjacent surface parking providing 20 spaces.

The proposed project will provide 60 rehabilitated housing units affordable for seniors aged 55 and above who earn less than 60% of the area median income (AMI). Affordability restrictions will be in place on the property for no fewer than 35 years from closing.

The project will comply with the requirements of the City's Affirmative Action Ordinance, which requires contract participation of 26% by minority-owned business enterprises (MBEs) and 6% by woman-owned business enterprises (WBE). The project will comply with the requirements of the City's Residency Ordinance, which requires that at least half of all construction worker hours be filled by Chicago residents.

Furthermore, environmentally friendly features have been incorporated into the proposed project pursuant to participation in the City's multi-family decarbonization pilot program.

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CHICAGO DEPARTMENT OF HOUSING ADVANCES ORDINANCE TO ENHANCE AFFORDABLE HOUSING IN HUMBOLDT PARK COMMUNITY

The Chicago Department of Housing (DOH) and Mayor Brandon Johnson are pleased to announce the introduction and approval of a significant ordinance by the City Council, aimed at bolstering affordable housing initiatives in the Humboldt Park Community. The ordinance outlines two key provisions crucial to the sustained success of housing developments in the area:

1. **Issuance of new DOH Multi-Family Funds:** The City Council has approved the issuance of up to \$2,600,000 in new DOH multifamily funds to the Borrower. This funding injection will support and enhance the existing affordable housing structures in the greater Humboldt Park community.
2. **Restructuring of Existing City Loan Documents and Regulatory Agreement:** In connection with a \$6,341,532 City HOME loan dating back to circa 2003, the ordinance facilitates a restructuring that encompasses the following key elements:
 - a. **Principal Balance Increase:** The principal balance of the existing loan will be increased by \$2,600,000, providing additional resources for the preservation of affordable housing.
 - b. **Maturity Date Unaltered:** The maturity date of the loan will remain unchanged, ensuring a seamless transition and adherence to established timelines.
 - c. **Amendments to Regulatory Agreement:**
 - d. **Stipulation for Affordability:** The regulatory agreement will be amended to stipulate that up to 49 units may be restricted to occupancy by households earning no more than 60% of the Chicago-area median income upon initial certification. This ensures continued accessibility for lower-income households.
 - e. **Extension of HOME Program Affordability Requirements:** The affordability requirements of the HOME Program, as restructured, will be extended by 15 additional years. This commitment to long-term affordability ensures the continued availability of affordable housing options in the community.

The ordinance specifically targets multiple buildings located at various addresses – 619-27 North Kedzie Avenue (15 units), 3136-38 West Ohio Street (6 units), 3120-22 West Ohio Street (6 units), 3117-19 West Huron Street (6 units), 3123-25 West Huron Street (6 units), 647-49 North Troy Avenue (5 units), 3136-38 West Huron Street (6 units), 3120-22 West Huron Street (2 units), 3116-18 West Huron Street (2 units), 718-20 North Troy Avenue (4 units), 626-28 North Albany Avenue (4 units), 636-38 North Albany Avenue (4 units), 3103-05 West Huron Street (6 units), 3100



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West Huron Street (3 units), 3102 West Huron Street (3 units), 3106 West Huron Street (3 units), 3108 West Huron Street (3 units), 3110 West Huron Street (3 units).

Collectively, the buildings comprise 87 units spread across 18 separate sites in the greater Humboldt Park community. These changes are designed to secure their long-term operating viability, addressing the critical need for sustainable and accessible housing in the area.

The Humboldt Park community is at the heart of these efforts, and the Chicago Department of Housing remains committed to working collaboratively with stakeholders to enhance the quality of life for residents and promote housing stability.

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