



August 12, 2015

Item No. 12

AUTHORIZATION TO: 1) SUBMIT A DEVELOPMENT PROPOSAL AND EVIDENTIARY DOCUMENTS TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; 2) COMMIT CHICAGO HOUSING AUTHORITY FUNDS NOT TO EXCEED \$5,778,500 FOR ST. EDMUND'S OASIS, LLC OR RELATED ENTITY; 3) APPROVE A TENANT SELECTION PLAN, LEASE, AND LEASE RIDERS FOR THE ST. EDMUND'S OASIS DEVELOPMENT; AND 4) EXECUTE AND DELIVER SUCH OTHER DOCUMENTS AND PERFORM SUCH ACTIONS AS MAY BE NECESSARY OR APPROPRIATE TO IMPLEMENT THE FOREGOING.

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners (Board) authorize the Acting Chief Executive Officer or his designee to: 1) Submit a development proposal and evidentiary documents to the United States Department of Housing and Urban Development (HUD); 2) Commit Chicago Housing Authority (CHA) funds not to exceed \$5,778,500 for St. Edmund's Oasis, LLC or related entity; 3) Approve the Tenant Selection Plan, lease, and lease riders for the St. Edmund's Oasis development; and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

The Deputy Chief Development Officer, Office of the General Counsel and the Department of Procurement and Contracts have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

CORPORATE GOAL #1

The proposed development supports CHA's corporate goal to reimagine the final Phase of the Plan for Transformation, coordinating public and private investments to develop healthy, vibrant communities.

FUNDING

Not-to-Exceed \$5,778,500 in CHA MTW funds

M/W/DBE & Section 3 PARTICIPATION: Compliance Affidavit on File

Direct ___% MBE ___% WBE ___% DBE ___%

Section 3

(#) Hiring _____ (\$) Subcontracting _____ (\$) Other Economic Opportunities

GENERAL BACKGROUND

St. Edmund's Oasis (Oasis) is a single phase, mixed income rental development to be built upon 4 vacant, City of Chicago-owned parcels located on Indiana and Prairie Avenues at 61st Street in the Washington Park community. Located within the St. Edmund's redevelopment area, Oasis is an extension of St. Edmund's broader affordable housing commitment to improve the quality of life for its residents and community. Oasis will consist of 58 units comprised of 19 public housing units and 39 affordable units within four residential, three story walk up buildings. Of the 19 public housing units, one (1) will be fully accessible and four (4) will be adaptable. The Oasis' bedroom and income mix will consist of the following:

Unit Type	Public Housing	Affordable (LIHTC)	TOTAL
1 BR	2	6	8
2 BR	6	9	15
3 BR	10	21	31
4 BR	1	3	4
TOTAL	19	39	58

Public Housing	Public Housing	Affordable (LIHTC)		Total Units
50% AMI	60% AMI	50% AMI	60% AMI	
10	9	12	27	58

DEVELOPMENT ENTITIES

St. Edmund's Oasis MM, LLC is the developer of St. Edmund's Oasis. It is managed by affiliates of St. Edmund's Redevelopment Corporation and Tria Adelfi, LLC. St. Edmund's Oasis II, Inc. and Tria on Prairie II, LLC are the members, each having a 50% interest. The member entities are single purpose companies. St. Edmund's Redevelopment Corporation is an Illinois not-for-profit Community Development Corporation. Tria Adelfi, LLC has two members, Julia Foust and Michelle Murray, each with a 50% interest.

St. Edmund's Oasis, LLC, the owner of the development is comprised of St. Edmund's Oasis MM, LLC (managing member) with 0.01% interest and Investor Members which are affiliates of Hunt Capital Partners, LLC. The Investor Member will hold a 99.98% interest in the owner entity and will be the tax credit investor. A Special Investor Member will own 0.01% of the owner entity.

Both St. Edmund's Redevelopment Corporation and Tria Adelfi, LLC were previously approved under CHA's Housing for Chicagoans Everywhere Program (HCE) at the time of the Oasis proposal submission in September 2009 and are currently approved pre-qualified developers under CHA's mixed finance development program.

FINANCING

The total estimated development budget for the Oasis rental development is approximately \$20,533,420, including the CHA Loan of approximately \$5,750,000 to be funded with CHA MTW funds. Additional project sources includes \$28,500 of CHA MTW funds for CHA Administration and CHA Initial Operating Deficit Reserve.

TENANT SELECTION PLAN

The proposed resolution is also to approve the form of Tenant Selection Plan, lease, and lease riders to be used for the Oasis development. It is understood that the developer has an interest and desire to implement its own lease forms and policy that encourages consistent community standards for the effective management of its development.

CONCLUSION

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal procurement regulations.

The Deputy Chief Development Officer concurs with the recommendation to: 1) Submit a development proposal and evidentiary documents to the United States Department of Housing and Urban Development (HUD); 2) Commit Chicago Housing Authority (CHA) funds not to exceed \$5,778,500 for St. Edmund's Oasis, LLC or related entity; 3) Approve the Tenant Selection Plan, lease, and lease riders for the St. Edmund's Oasis development; and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

The Acting Chief Executive Officer recommends the approval to: 1) Submit a development proposal and evidentiary documents to the United States Department of Housing and Urban Development (HUD); 2) Commit Chicago Housing Authority (CHA) funds not to exceed \$5,778,500 for St. Edmund's Oasis, LLC; 3) Approve the Tenant Selection Plan, lease, and lease riders for the St. Edmund's Oasis development; and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

RESOLUTION NO. 2015-CHA-

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated August 12, 2015 entitled "Authorization to: 1) Submit a Development Proposal and Evidentiary documents to the United States Department of Housing and Urban Development; 2) Commit Chicago Housing Authority funds not to exceed \$5,778,500 for St. Edmund's Oasis, LLC or related entity; 3) Approve the Tenant Selection Plan, lease, and lease riders for the St. Edmund's Oasis development; and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Acting Chief Executive Officer or his designee to: 1) Submit a development proposal and evidentiary documents to the United States Department of Housing and Urban Development; 2) Commit Chicago Housing Authority funds not to exceed \$5,778,500 for St. Edmund's Oasis, LLC or related entity; 3) Approve the Tenant Selection Plan, lease, and lease riders for the St. Edmund's Oasis development; and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing

This award is subject to each Contractor's compliance with CHA's MBE/WBE/DBE, Section 3 resident hiring, bonding and insurance requirements.

**AMENDMENT TO THE CHICAGO HOUSING AUTHORITY'S
ADMISSIONS AND CONTINUED OCCUPANCY POLICY—
APPENDIX ____**

THE CHICAGO HOUSING AUTHORITY'S ADMISSION AND CONTINUED OCCUPANCY POLICY IS HEREBY AMENDED TO INCORPORATE AS ADDITIONAL APPENDICES THE FORM OF TENANT SELECTION PLAN, LEASE, AND LEASE RIDERS FOR THE ST. EDMUND'S OASIS DEVELOPMENT. THESE FORMS SHALL BE APPENDED AFTER IMPLEMENTATION AND ADOPTION. THESE DOCUMENTS AMEND THE CHA'S ADMISSIONS AND CONTINUED OCCUPANCY POLICY WITH RESPECT TO PUBLIC HOUSING RESIDENTS THAT WILL RESIDE IN THE OASIS DEVELOPMENT.

THE CHAIRPERSON OF THE BOARD OR THE ACTING CHIEF EXECUTIVE OFFICER IS HEREBY AUTHORIZED TO APPROVE ANY FINAL CHANGES IN THESE FORMS, INCLUDING, BUT NOT LIMITED TO, CHANGES BASED ON HUD REQUIREMENTS, OR RESULTING FROM ANY APPLICABLE NOTICE AND COMMENT PROCESS. SUCH APPROVAL SHALL CONSTITUTE CONCLUSIVE EVIDENCE OF THE BOARD'S APPROVAL OF ANY AND ALL SUCH CHANGES.