

STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

CERTIFICATE

I, Jennifer Rampke, the duly authorized, qualified and Executive Secretary of the **Community Development Commission of the City of Chicago**, and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a Resolution adopted by the **Community Development Commission of the City of Chicago** at a Regular Meeting Held on the 12th Day of April 2005 with the original resolution adopted at said meeting and recorded in the minutes of the Commission, and do hereby certify that said copy is a true, correct and complete transcript of said Resolution.

Dated this 12th Day of April 2005


EXECUTIVE SECRETARY
Jennifer Rampke

COMMUNITY DEVELOPMENT COMMISSION

**COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO**

RESOLUTION NO. 05- CDC -34

**AUTHORITY TO PUBLISH NOTICE
OF THE INTENTION OF THE CITY OF CHICAGO (THE "CITY")
TO NEGOTIATE A
REDEVELOPMENT AGREEMENT WITH
LAKEFRONT SUPPORTIVE HOUSING, OR ITS AFFILIATE
FOR THE USE OF INCREMENTAL TAXES
FOR THE REDEVELOPMENT OF PROPERTY GENERALLY LOCATED WITHIN
THE NEAR NORTH T.I.F. REDEVELOPMENT PROJECT AREA (THE "AREA")**

AND

**AUTHORITY TO PUBLISH A NOTICE OF THE INTENTION OF THE CITY TO
ENTER INTO A NEGOTIATED SALE OF THE 1234 TO 1254 NORTH CLYBOURN
AND 532 TO 538 WEST SCOTT STREET PARCELS (THE "DISPOSITION
PARCELS"), SUBJECT TO SURVEY, LOCATED WITHIN THE AREA**

AND

TO REQUEST ALTERNATIVE PROPOSALS,

AND

**TO RECOMMEND TO
THE CITY COUNCIL OF THE CITY OF CHICAGO
THE DESIGNATION OF
LAKEFRONT SUPPORTIVE HOUSING, OR ITS AFFILIATE
FOR THE SALE OF THE DISPOSITION PARCELS AND
AS THE DEVELOPER IF NO OTHER
RESPONSIVE ALTERNATIVE PROPOSALS ARE RECEIVED**

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 Near North Tax Increment Redevelopment Plan and Project ("TIF Plan") was approved by the City Council on July 30, 1997, pursuant to the Tax Increment Allocation Redevelopment Act 65 ILCS/11-74.4-1, et seq. (the "Act"). The street boundaries of the Area are described on **Exhibit A** hereto; and

WHEREAS, Lakefront Supportive Housing (such entity, or its affiliate, the "Developer"), has presented to the City's Department of Planning and Development ("DPD") a proposal for redevelopment of the site generally located at 1234 to 1254 North Clybourn Avenue and 454 to 468 West Scott Street within the Area that is in compliance with the Plan, consisting of the construction of a 96 unit single room occupancy building; and

WHEREAS, DPD has entered into discussions with the Developer concerning the sale and development of certain City-owned parcels (the "Disposition Parcels") located within the Area and as described in **Exhibit A**; and

WHEREAS, the Developer has submitted a project budget and evidence of having financial ability to complete the Project and DPD has reviewed these and found them to be satisfactory; and

WHEREAS, the Developer has proposed to pay \$1.00 for the purchase of the Disposition Parcels; and

WHEREAS, DPD has review this proposal and has found it to be satisfactory and in conformance with the Plan; and

WHEREAS, pursuant to Section 5/11-74.4-4(c) of the Act, the City may not enter into any agreement relating to the development of City-owned property within the Area without first making public disclosure of the terms of such agreement and all bids and proposals related thereto and providing reasonable opportunity for any person to submit an alternative proposal or bid; and

WHEREAS, DPD requests the authority of the Commission to make the required disclosure by publishing a public notice substantially in the form set forth as **Exhibit B** hereto (the "Notice") be published at least once for three consecutive weeks in at least one Chicago metropolitan newspaper, inviting alternative proposals from other developers who will have a period of not less than thirty (30) days after the first publication of the public notice in which to submit a responsive proposal; and

WHEREAS, DPD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project, that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project, if no responsive alternative proposals are received by DPD within thirty (30) days after publication of the first Notice or, if alternative proposals are received and DPD, in its sole discretion determines that the Developer's Project is the best proposal; 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 authorizes DPD to publish the Notice.
- Section 3. The Commission hereby recommends to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project, so long as no responsive alternative proposals are received by DPD within the time recited above or, if alternative proposals are received and DPD in its sole discretion determines that the Developer's Project is the best proposal.
- Section 4. DPD is hereby authorized to advertise the City's intent to negotiate the sale and redevelopment of the Disposition Parcels and to request responsive alternative proposals.
- Section 5. Said proposals must be submitted in writing to Denise Casalino, Commissioner, Department of Planning and Development, Attn: Benet Haller, City Hall- Room 1003, 121 North LaSalle Street, Chicago, Illinois 60602 within 30 days of the date of the first publication of the Notice and shall contain names of parties, offer prices for the Disposition Parcels, evidence of financial qualifications, and a timetable for redevelopment before said proposal will be considered.

- Section 6. In the event that no responsive proposals are received at the conclusion of the advertising period, or if alternative proposals are received and DPD in its sole discretion determines that the Developer's Project is the best proposal, then the sale of the Disposition Parcels shall be recommended to the City Council without further Commission action.
- Section 7. 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 8. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 9. This resolution shall be effective as of the date of its adoption.
- Section 10. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: April 12, 2005

Attachments: Exhibit A, PINs and Street Addresses of Disposition Parcels and TIF Area
Street Boundary Description
Exhibit B, Form of Notice Requesting Alternative Proposals

CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT
PROJECT SUMMARY FORM
April 8, 2005

Project Name: Near North SRO
Project Location or Address: 1234 to 1254 North Clybourn and 454 to 468 West Scott Street
Ward and Alderman: 27th Ward, Alderman Walter Burnett Jr.
Developer/Applicant: Lakefront Supportive Housing
Lead Division: Neighborhoods, Central Region
Project Manager: Benet Haller Phone: 744-2850
Deputy Commissioner: Terri Haymaker Phone: 744-0771

Type of Project: The developer proposes to build a new five story facility that contains 96 single room residential units and related supportive services.

Type of Action: TIF request for \$1 million and conveyance of city-owned land

Required Approvals:	<u>Type of Approval</u>	<u>Status</u>	<u>Date</u>
	CDC	Target	April 12, 2005
	City Council intro	Target	May 11, 2005
	City Council approval	Target	June, 2005

Background

- One of five SROs to be developed around CHA redevelopment projects
- Site has been vacant for more than a decade
- Site is appraised to be worth \$3.96 million and will be conveyed for \$1

Project Description

- Murphy/Jahn designed building will be a strikingly modern structure with a metal and glass skin
- The units will be leased to low and very-low income residents at affordable rates
- Each unit will feature a private bathroom and kitchenette
- The site will contain approximately 20 parking spaces for visitors and staff
- Several environmentally-friendly features including on-site gray water management, wind turbines, photovoltaic panels and a very energy efficient building envelope.
- The building will achieve at least the base level of LEED certification

Outstanding Issues

- Need to confirm which development entity will be receiving the TIF funds

Next Steps

CDC on April 12

**CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT
COMMUNITY DEVELOPMENT COMMISSION**

APRIL 12, 2005

**AUTHORIZATION TO PROVIDE TIF ASSISTANCE AND CONVEY CITY-OWNED
LAND FOR THE DEVELOPMENT OF A SRO BY
LAKEFRONT SUPPORTIVE HOUSING
AT 1234 TO 1254 NORTH CLYBOURN AVENUE
AND 532 TO 538 WEST SCOTT STREET
(THE "NEAR NORTH SRO")**

NEAR NORTH TAX INCREMENT FINANCE REDEVELOPMENT AREA

SUMMARY SHEET

ACTION REQUESTED: Authorization to provide \$1 million in TIF assistance and convey city-owned land valued at \$3.96 million for \$1.00 to Lakefront Supportive Housing for the development of a 96 unit SRO

PROJECT & TYPE OF DEVELOPMENT: End-goal is the development of a five-story LEED certified, 96 unit SRO designed by the architecture firm of Murphy/Jahn within the Near North Redevelopment Initiative (NNRI).

LOCATION: 1234 to 1254 North Clybourn Avenue and 532 to 538 West Scott Street. The site is 32,997 square feet and bounded by Scott Street on the southwest, Unity Manufacturing on the northwest, Clybourn Avenue to the northeast and a public alley to the southeast. South of this alley is a one acre site which will be developed with an approximately 60 unit mixed income residential building also designed by the firm of Murphy/Jahn. Responses to select a developer for that property are under review by the Near North Working Group and Lakefront Supportive Housing. The SRO site has 208 feet of frontage along Clybourn Avenue and 226 feet along Scott Street.

FINANCIAL INCENTIVES: This development is receiving financing from several public agencies including tax credits from IHDA, Home Funds and Federal support through SHP and the Federal Home Loan Bank. The City will contribute \$1,000,000 in TIF assistance towards the construction of the project. Additional, TIF assistance will be

provided directly to the Department of Environment to clean up this site before construction begins and is estimated to be in the range of \$800,000 to \$1 million.

ZONING: The site is zoned B2-3

WARD & ALDERMAN: 27th, Walter Burnett, a letter of support is included.

ISSUES: None

PROJECT BENEFITS: This is one of five SRO's planned to be developed as part of the redevelopment of CHA housing developments in various locations throughout the city. The provision of housing and social services for very low income individuals will help address these housing needs in the immediate area. Furthermore, beyond achieving LEED certification, this building will incorporate many innovative environmental features such as solar panels, wind turbines, and a gray water management system.

M/WBE: Lakefront Supportive Housing will conform to the 24% MBE and 4% WBE required in order to receive TIF assistance.

COMMUNITY OUTREACH: The Near North Working Group is supportive of this action.

**CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT
COMMUNITY DEVELOPMENT COMMISSION**

APRIL 12, 2005

**AUTHORIZATION TO PROVIDE TIF ASSISTANCE AND CONVEY CITY-OWNED
LAND FOR THE DEVELOPMENT OF A SRO BY
LAKEFRONT SUPPORTIVE HOUSING
AT 1234 TO 1254 NORTH CLYBOURN AVENUE
AND 532 TO 538 WEST SCOTT STREET
(THE "NEAR NORTH SRO")**

**LOCATED IN THE
THE NEAR NORTH TAX INCREMENT FINANCE REDEVELOPMENT AREA**

STAFF REPORT

MS. CHAIRMAN AND MEMBERS OF THE COMMISSION:

The Resolution before you will recommend to convey city-owned land and the provision of \$1 million in TIF assistance to Lakefront for the construction of a five-story, 96-unit SRO in the Near North TIF district on a three-quarters of an acres site on the 1200 block of North Clybourn Avenue.

PURPOSE:

The Resolution before you would provide financial assistance and convey city-owned land for the development of a 96 unit SRO designed by the architecture firm of Murphy/Jahn as part of a larger development which includes include a four or five story mixed income residential building design by the same architectural firm. The development will aim to both functionally and aesthetically integrate this site with adjacent buildings to the north and west and the redevelopment of the Cabrini North Extension property across Division Street to the south.

BACKGROUND:

The parcel is located within the Near North Tax Increment Finance Redevelopment Area, which is located approximately two miles north and one mile west of Chicago's Central Business District. The construction of this SRO is consistent with the City of Chicago's Near North Redevelopment Initiative and the consent decree between the Cabrini Local Advisory Council and the Chicago Housing Authority & the City of Chicago, the overall aim of which is to revitalize the Near North area as a mixed-income community. The ultimate redevelopment of this site will provide much needed single room occupancy units and social services to very poor individuals in the City. Half the units will be available for the CHA residents and half the units will be made available to homeless and at-risk individuals in the area. The parcel is zoned B2-3.

PROPERTY DESCRIPTION:

The Subject Site, 32,997 square feet, is located at 1234 to 1254 North Clybourn Avenue and 532 to 538 West Scott Street. Property Identification Numbers (PINs) are 17-04-130-039 to -043 and 17-04-130-047. The site is bounded by Clybourn Avenue on the northeast, Unity Manufacturing on the northwest, Scott Street to the southwest, and a public alley to the southeast. The site contains some environmental problems but the Department of Environment is in the process of selecting a consultant to clean up the site before the City conveys the property to Lakefront Supportive Housing later this year.

PROPOSED DEVELOPER

The not-for-profit developer of the proposed SRO project is Lakefront Supportive Housing (LSH) located at 247 South State Street. Lakefront Supportive Housing is one of the two largest operators of single room occupancy (or SRO) properties with supportive services in Chicago. Currently, LSH operates nine SRO's with a total of 965 permanent supportive housing units. LSH has become know for its unique cost-effective approach to supportive housing - an approach called Blended Management. This involves on-site property managers and case managers working together to make sure that tenants have the support they need to become housed, stable, and as self-sufficient as possible. Lakefront SRO has developed 1,024 units in Chicago. This includes the 207-unit South Loop Apartments, open in 1999 at 1521 South Wabash Avenue and the 81-unit Holland Apartments, opened in 2001, at 240 West 107th Place. LSH's latest project, The Wentworth at 11045 South Wentworth Avenue will be completed in June and will have 51 apartment-style units. All of these projects were developed and managed by LSH.

DEVELOPMENT PARAMETERS:

The developer proposes to build a new five story facility that contains 96 single room residential units and related supportive services. The proposed Murphy/Jahn designed building will be a strikingly modern structure with a metal and glass skin. The units will be leased to low and very-low income residents at affordable rates. Each unit will feature a private bathroom and kitchenette. The site will contain approximately 20 parking spaces for visitors and staff. The facility will incorporate several environmentally-friendly features including on-site gray water management, wind turbines, photovoltaic panels and a very energy efficient building envelope. The building will achieve at least the base level of LEED certification.

The units and pricing structure are summarized below:

Description of Units

No. of units	Size of unit (SF)	Targeted Residents & Income Level	Monthly Rates	Rental Subsidy Source
46	240 to 260	former CHA (less than 30% AMI)	\$560	Section 8, HUD
50	240 to 260	Homeless or at-risk (less than 30 % AMI)	\$560	McKinney Act - Shelter Plus Care
96				

Construction is anticipated to begin in summer 2005 with complete build-out by summer 2006.

FINANCIAL ASSISTANCE:

The City will contribute \$1,000,000 in TIF assistance towards the construction of the project. TIF assistance is necessary to cover the costs of this exception design and to offset some of the up front costs associated with the green design features. In addition, an additional \$1 million in TIF assistance will be provided to the Department of Environment to remediate the site. The value of the cleaned land was appraised in April of 2005 to be \$3.96 million. This will be conveyed to Lakefront Supportive Housing for \$1. These contributions account for approximately 28% of the total development costs of this project. The direct Sources and Uses for the project are summarized below:

DESCRIPTION OF FINANCIAL SOURCE	AMOUNT	PERCENT
IHDA HOME - 1st mortgage	\$ 2,500,000	18 %
IHDA Trust Fund	\$ 750,000	5 %
Federal Home Loan Bank	\$ 750,000	5 %
HUD - Shelter Plus Care (SHP)	\$ 400,000	3 %
Equity for Land Donation Tax Credits / IHDA	\$ 1,548,000	11 %
Supplier Donations	\$ 200,000	1 %
Upfront TIF	\$ 1,000,000	7.2 %
Other Private Sources	\$ 230,000	2 %
Equity from Limited Partner - Equity Capital	\$ 6,486,000	47 %
TOTAL SOURCES	\$13,864,000	

Summary of Direct Project Uses

DESCRIPTION OF PROJECT COSTS	AMOUNT	PERCENT	UNIT COST
Acquisition and Remediation	\$ 1	<1 %	
Construction Costs	\$9,982,071		
Contractor Overhead and Profit	\$488,095		
Performance Bond	\$83,255		
General Conditions	\$715,500		
Hard Costs - subtotal	\$11,268,921	81.3 %	\$246 per SF
Professional Fees (architect, legal, etc)	\$527,850		
Professional Studies	\$93,500		
Financing Costs	\$14,500		
Reserves	\$432,000		
Contingency	\$334,583		
Other	\$294,359		
Developer Fee	\$898,286	6.5 %	
Soft Costs - subtotal	\$2,595,078	18.7 %	

TOTAL USES	\$13,864,000	\$303 per SF
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DEVELOPER RESPONSIBILITIES:

Planning

Working closely with the City, the Developer will be responsible for designing and implementing a plan that results in the construction of the aforementioned project.

Design

Lakefront Supportive Housing will work with the firm of Murphy/Jahn to develop full construction drawings.

Development Approvals

The developer team will be responsible for procuring all necessary permits and approvals for development of the property. DPD will assist in these efforts.

Financing and Construction

The Developer will be responsible for financing and/or ensuring construction of the site.

COMMUNITY OUTREACH:

This development conforms to the Near North Tax Increment Finance Redevelopment Area. Alderman Walter Burnett, Jr. of the 27th Ward is well informed and supportive of the Department's plan to issue the RFP. The Near North Working Group supports this development as a means of achieving a mixed income residential neighborhood.

RECOMMENDATION:

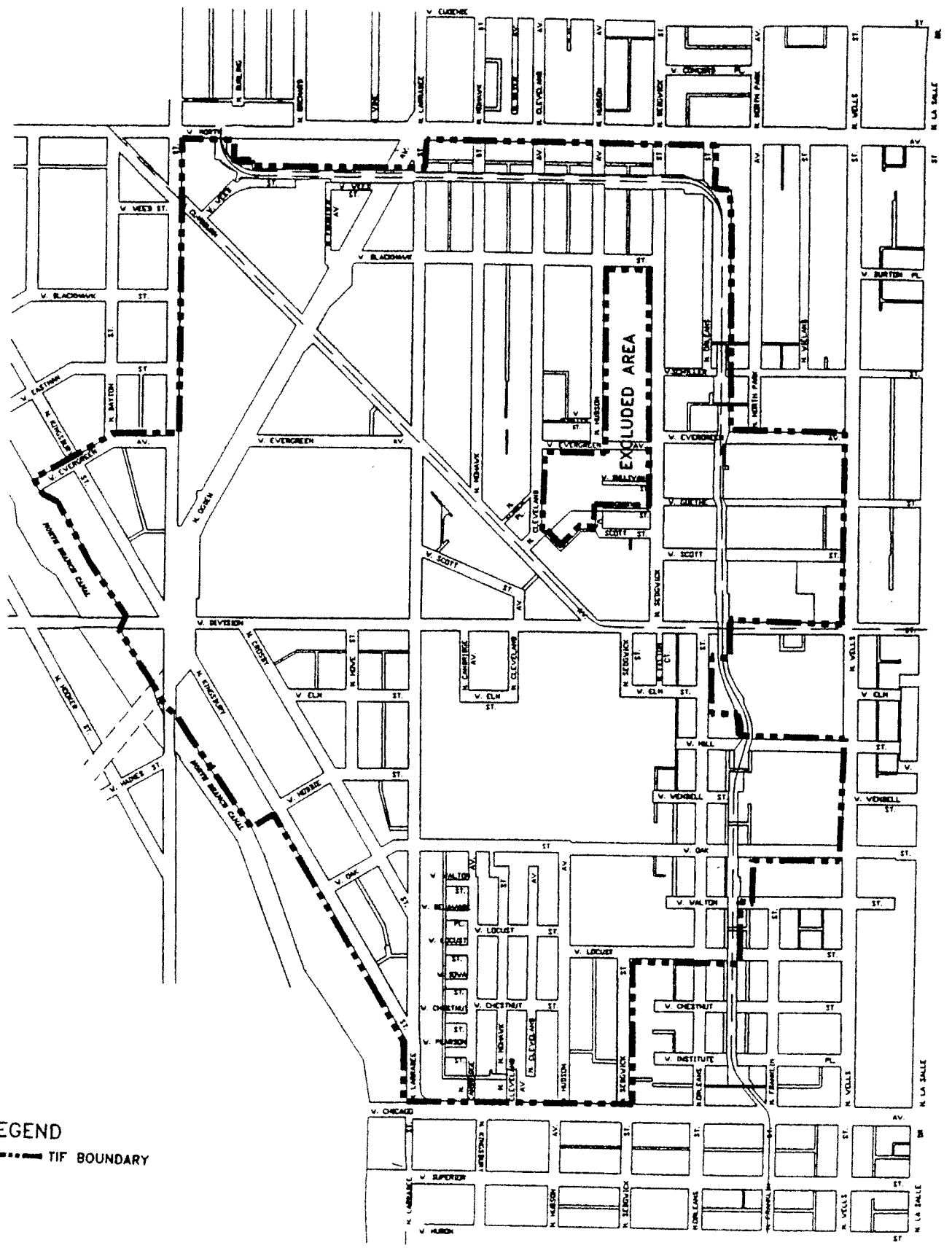
The Resolution before you will approve the request by the Department of Planning and Development to provide TIF assistance in the amount of \$1 million for this project.

ATTACHMENTS:

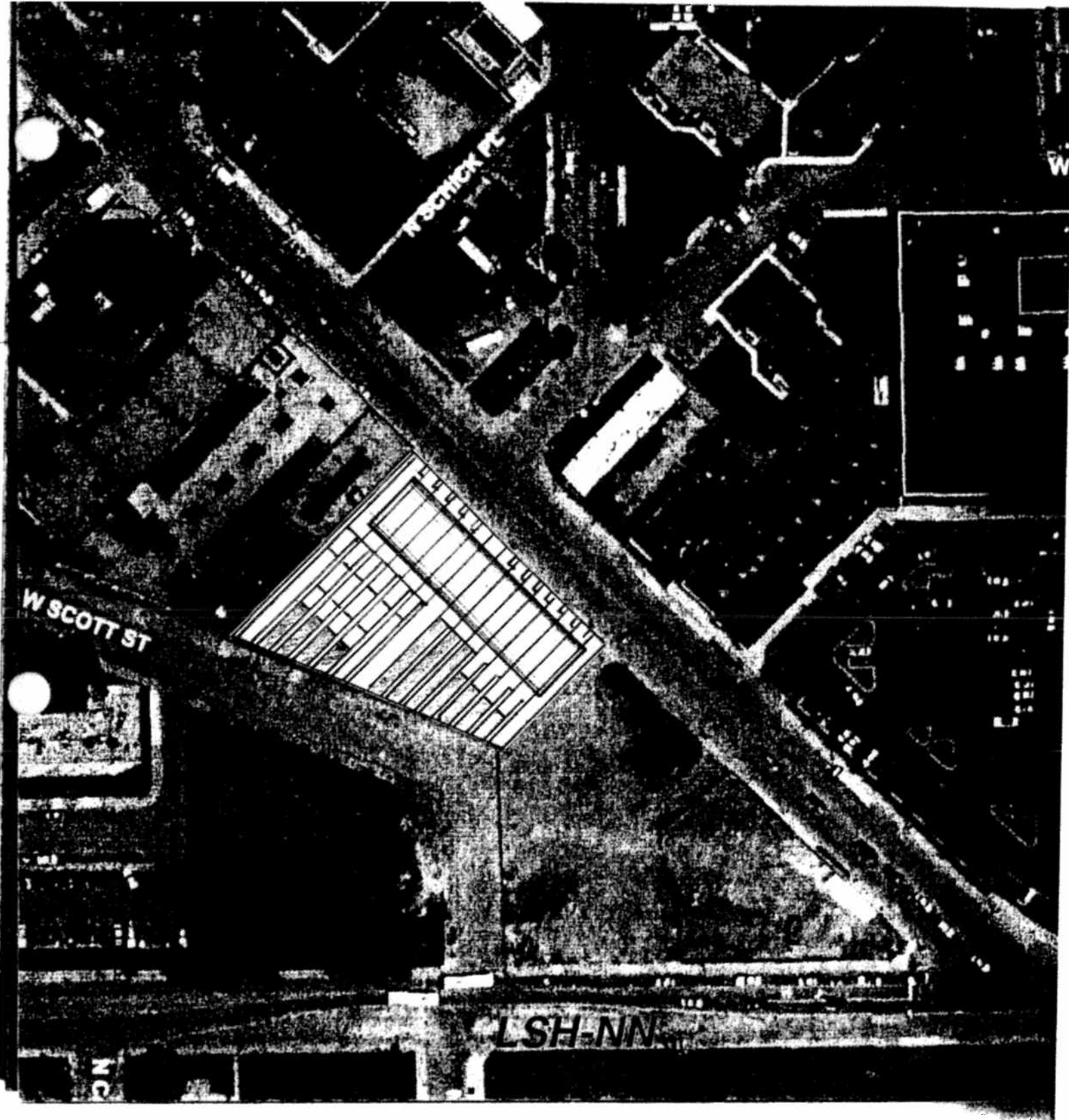
1. Near North Redevelopment Project Area map
2. Project Budget
3. Resolution
4. Letter of Support

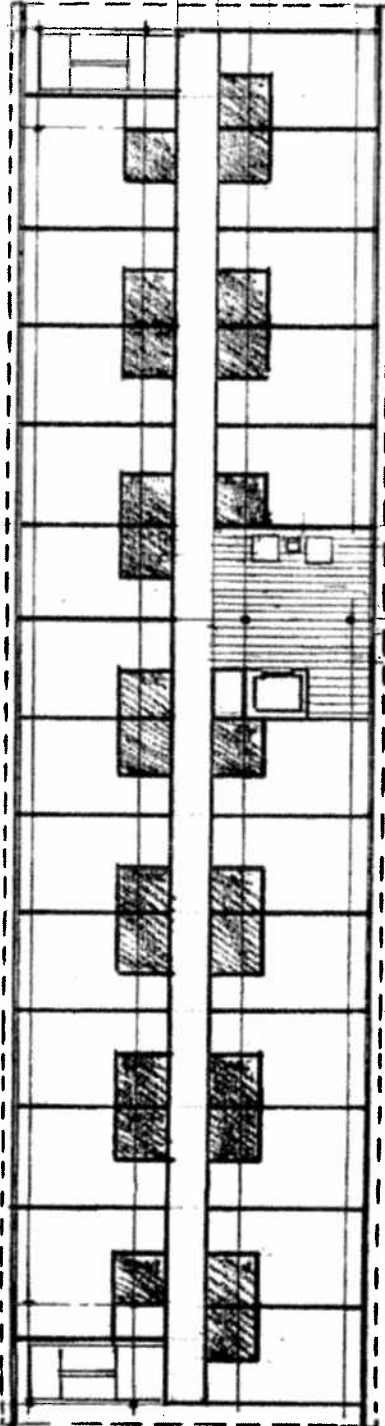
LEGEND
 - - - - - TIF BOUNDARY

FIGURE 1
 BOUNDARY MAP
 Near North Redevelopment Project Area
 Chicago, Illinois

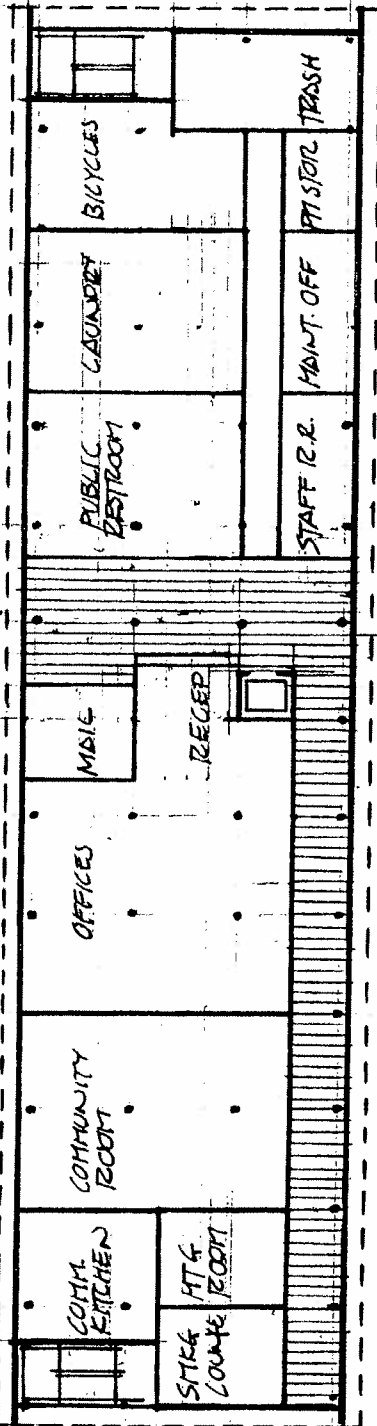


Prepared by
CAMIROS
 411 South Wells Street
 Chicago, Illinois 60607
 (312) 522-9511
 Pasadena, Tachikawa

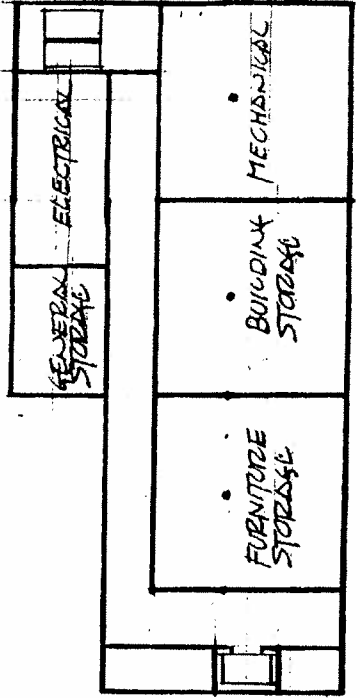




TYPICAL FLOOR PLAN



GROUND FLOOR PLAN



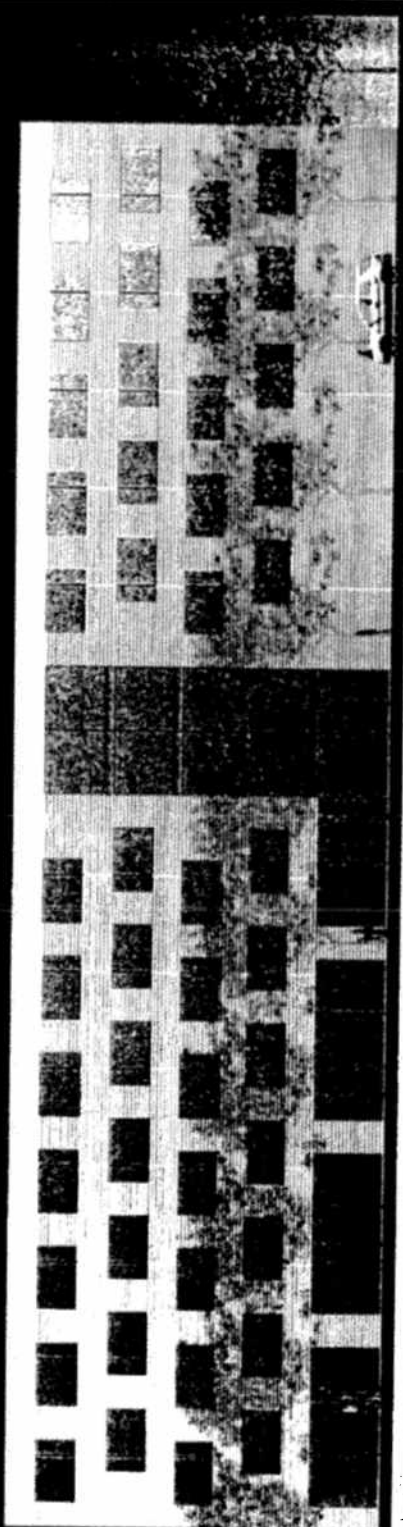
BASEMENT

AREA SUMMARY

Level 5	9,109.46 SF	24 Units
Level 4	8,912.36 SF	24 Units
Level 3	8,713.25 SF	24 Units
Level 2	8,514.14 SF	24 Units
Level 1	8,281.00 SF	Support Uses
Lower Level	3,594.50 SF	Storage, M&E
Total Area	47,124.71 SF	96 Units

LSH-NN

10-23-03



**Near North SRO
Summary of Financial Assistance
April 8, 2005**

SUMMARY

This project consists of 96 single-room-occupancy units that are affordable to low-income and very-low income residents of the City. The financing of this project is very complex due to the numerous subsidies by federal, state, local, and private sources. This project has a high degree of public benefits including 1) affordable housing and 2) alternative environmental features.

DPD will work with DOH to provide significant financial assistance for this project. The primary public assistance provided by the City of Chicago includes:

1. Transfer of the land with a significant write-down (\$3.96 million)
2. TIF assistance for construction costs (\$1.0 million)

These contributions account for approximately 28% of the total development costs of this project. The direct Sources and Uses for the project are summarized below:

Summary of Direct Project Sources

DESCRIPTION OF FINANCIAL SOURCE	AMOUNT	PERCENT
IHDA HOME - 1st mortgage	\$ 2,500,000	18 %
IHDA Trust Fund	\$ 750,000	5 %
Federal Home Loan Bank	\$ 750,000	5 %
HUD - Shelter Plus Care (SHP)	\$ 400,000	3 %
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Upfront TIF	\$ 1,000,000	7.2 %
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TOTAL SOURCES	\$13,864,000	

Summary of Direct Project Uses

DESCRIPTION OF PROJECT COSTS	AMOUNT	PERCENT	UNIT COST
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Professional Studies	\$93,500		
Financing Costs	\$14,500		
Reserves	\$432,000		
Contingency	\$334,583		
Other	\$294,359		
Developer Fee	\$898,286	6.5 %	
Soft Costs - subtotal	\$2,595,078	18.7 %	
TOTAL USES	\$13,864,000		\$303 per SF

LAND WRITE-DOWN

The land has been recently appraised to have a value of \$4,100,000 assuming that it is free of environmental contamination. The Chicago Department of Environment is charged with remediating the site. The anticipated costs of up to \$1,000,000 will be paid from existing proceeds in the Near North TIF District.

After remediation, this land will be transferred to the developer for \$1. This transfer will be viewed as a donation, thus allowing the developer to access equity that is generated from the state tax credits associated with land donations.

The developer is anticipated to begin excavation and foundation work after the remediation has begun but prior to the Redevelopment Agreement being finalized.

TIF ASSISTANCE

Up to \$1,000,000 in TIF assistance will be made available to the developer after the property has been transferred. These funds are available from the existing proceeds of the Near North TIF District.

The majority of this financial assistance will be provided during the construction phase of this project. These funds will be used to repay eligible costs related to the development and hard construction of affordable housing. The TIF payment schedule will be as follows:

	MAX TIF AMOUNT	PROJECT MILESTONE	APPROX DATE	ANTICIPATED EXPENSES
1 st Payment	\$400,000	Transfer of land and closing of RDA	August 2005	1.Environmental studies 2.Site prep 3.Excavation 4FOUNDATIONS 5.Slab on grade / 1 st floor columns
2 nd Payment	\$500,000	Concrete superstructure completed	December 2005	Hard construction costs of structural elements including roof
Final Payment	\$100,000	Project Completion	December 2006	Other hard construction costs (exterior skin and interior elements)

Upon completion, this project is likely to receive a Single Room Occupancy tax incentive from Cook County. Thus, the property is unlikely to generate a significant amount of tax increment. The reduced property taxes are essential to allow the social service aspects of the project to continue.



**CITY COUNCIL
CITY OF CHICAGO
COUNCIL CHAMBER**

CITY HALL, ROOM 203
21 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602
TELEPHONE 312-744-6124

COMMITTEE MEMBERSHIPS

- BUILDINGS
- COMMITTEES, RULES, AND ETHICS
- EDUCATION
- TRANSPORTATION AND PUBLIC WAY
- BUDGET AND GOVERNMENT OPERATIONS
- FINANCE

WALTER BURNETT, JR.

ALDERMAN, 27TH WARD
1463 W. CHICAGO AVENUE
CHICAGO, ILLINOIS 60622
TELEPHONE 312-432-1995
FAX: 312-432-1049

E-MAIL: wburnett@cityofchicago.org

March 28, 2005

Denise M. Casalino, Commissioner
Department of Planning and Dev.
121 N. LaSalle Street, Rm. 1000
Chicago, IL 60602

Dear Commissioner Casalino:

Please be advised that I am in support for the provision of TIF assistance in the amount of \$1 million to Lakefront Supportive Housing for the construction of a 96 unit SRO at 1234 to 1254 N. Clybourn Avenue. The inclusion of such units will continue to maintain a diverse mix of housing in the Cabrini Green community and facilitate the development of long vacant property along Clybourn Avenue.

Your assistance in this matter is greatly appreciated; don't hesitate to contact me at 312/432-1995 if you need further assistance in this matter.

Sincerely,

Walter Burnett, Jr.
Alderman of the 27th Ward

WBJ/alm



EXHIBIT A

Street Address and P.I.N.s of Disposition Parcels
and
Street Boundaries of the
Near North Tax Increment Financing
Redevelopment Project Area

Street Addresses:

1234 to 1254 North Clybourn Avenue
and 532 to 538 West Scott Street

P.I.N.s:

17-04-130-039 thru -042 and
17-04-130-047

Near North Tax Increment Financing Redevelopment Project Area:

The Area is generally bounded by North Avenue on the north, Wells Street and the CTA Brown Line Elevated Tracks on the east, Chicago Avenue on the south, and the North Branch Canal and Halsted Street on the west.

EXHIBIT B

PUBLIC NOTICE is hereby given by the Community Development Commission of the City of Chicago (the "City") pursuant to section 5/11-74.4-4 (c) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"), that the City's Department of Planning and Development ("DPD") intends to negotiate a redevelopment agreement with Lakefront Supportive Housing (the "Developer") pursuant to which the City intends to provide financial assistance to the Developer in the amount of \$1,000,000 or 7.2% of the total project budget from Near North tax increment financing bond proceeds and/or incremental tax revenues pursuant to the Act for eligible costs associated with the Near North SRO development project (the "Project") to be located at 1234 to 1254 North Clybourn Avenue and 532 to 538 West Scott Street (the "Property"), located in the Near North TIF Redevelopment Project Area (the "Area"). The Project will consist of a new five story facility that contains 96 single room residential units and related supportive services.

The City also intends to negotiate a redevelopment agreement with the Developer for the sale of five individual tax parcels, described in Schedule 1 attached hereto (the "Disposition Parcels"), for nominal consideration. The Property and Disposition Parcels are located within the Area established pursuant to the Act, and the Project is in compliance with the Near North TIF Redevelopment Plan. The Area is generally bounded as follows:

The Area is generally bounded by North Avenue on the north, Wells Street and the CTA Brown Line Elevated Tracks on the east, Chicago Avenue on the south, and the North Branch Canal and Halsted Street on the west.

THE CITY HEREBY INVITES ALTERNATIVE PROPOSALS FOR THE REDEVELOPMENT OF THE DISPOSITION PARCELS FOR CONSIDERATION BY THE CITY.

The documents listed below related to the Area, the Project and the Disposition Parcels are available for public inspection on or before May 15, 2005 at the offices of DPD, Room 1003, 121 N. LaSalle, Chicago, Illinois between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday:

- (i) "Near North Tax Increment Financing Redevelopment Project and Plan," which constitutes the City's redevelopment plan for the Area;
- (ii) a terms sheet showing all proposed material terms of the redevelopment agreements as of the date hereof, including but not limited to an estimated Project budget setting forth

the amount of financial assistance the City intends to provide to the Developer for the Project; and

(iii) the terms of all bids and proposals received, if any, by the City related to the Project and the redevelopment agreements.

Please contact Benet Haller at DPD at (312) 744-2850 to review these materials and for information regarding the form required, if any, for proposals submitted to the City. Proposals shall include the general plan for the redevelopment of the Disposition Parcels, the names of the party or parties making the proposal, the price offered, evidence of financial qualifications and capacity to complete said redevelopment, and the timetable for implementation. The City reserves the right to reject any and all proposals. Proposals will be received by the City at DPD's offices, Room 1000, City Hall, 121 N. LaSalle, Chicago, Illinois 60602, until May 15, 2005 at 2:00 p.m., at which time all alternative proposals will be opened and reviewed.

Mary Richardson-Lowry, Chairman
COMMUNITY DEVELOPMENT COMMISSION

Attach Schedule 1 - Disposition Parcels

LAKEFRONT SUPPORTIVE HOUSING

Near North SRO

Legal Description

PARCEL 1:

PART OF LOT 4 IN ASSESSOR'S DIVISION OF LOTS 44, 48 AND 50 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE WEST ½ OF THE NORTHWEST ¼ AND THE SOUTHEAST ¼ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 17-04-130-047

PARCEL 2:

LOT 5 IN ASSESSOR'S DIVISION OF LOTS 44, 48 AND 50 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE WEST ½ OF THE NORTHWEST ¼ AND THE SOUTHEAST ¼ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 17-04-130-039

PARCEL 3:

LOT 46 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE WEST ½ OF THE NORTHWEST ¼ AND THE SOUTHEAST ¼ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 17-04-130-040

PARCEL 4:

LOTS 1, 2 AND 3 IN THE SUBDIVISION OF LOTS 56, 58, 60 AND 62 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE WEST ½ OF THE NORTHWEST ¼ AND THE SOUTHEAST ¼ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 17-04-130-041
17-04-130-042

PARCEL 5:

LOT 42 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE WEST ½ OF THE NORTHWEST ¼ AND THE SOUTHEAST ¼ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 17-04-130-043