



May 13, 2015

Item No. 7

**AUTHORIZATION TO EXECUTE A PRELIMINARY COMMITMENT LETTER  
FOR 7245 N. ROGERS AVENUE**

**To the Honorable Board of Commissioners:**

**RECOMMENDATION**

It is recommended that the Board of Commissioners approve the attached Resolution authorizing the Chief Executive Officer or his designee execute a preliminary commitment letter for 7245 N. Rogers Avenue.

**CORPORATE GOAL**

The proposed preliminary commitment letter supports Plan Forward Goal #1: coordinating public and private investment to develop healthy, vibrant communities.

The purpose of this resolution is to execute a preliminary letter of commitment for a PRA Housing Assistance Payments Contract for eleven units detailed below. This preliminary letter of commitment will be valid for one year in order to allow the developer to secure development and construction financing from other sources. Once all financing is secured, the full development plans will be submitted to CHA Board prior to execution of any contract.

**FUNDING:** Housing Choice Voucher Program

**PROPERTY SUMMARY**

Development Name	Community / Ward / Alderman	Developer / Owner	Target Population	PRA Units	Total Units
7245 N. Rogers Avenue	Rogers Park/ 49 <sup>th</sup> Ward/ Joseph Moore	Chicago Metropolitan Housing Development Corporation	Families	11	42

**CONTRACT SUMMARY**

Development Name	Funding	Contract Term	Contract Type	Initial Estimated Contract	Total Estimated Contract	Application Received
7245 N. Rogers Avenue	Housing Choice Voucher Program	15 Years	AHAP/ HAP Contract	\$77,544/year	\$1,341,001 (15 years)	March 2015

**Proposed Development: 7245 N. Rogers Avenue**

- Rehabilitation of 3-story elevator building containing 42 units in the Rogers Park community area consisting of 12 studios, 24 one-bedroom and 6 two-bedroom units. Three studios, 6 one-bedroom and 2 two-bedroom units will be PRA for families.
- Building amenities will include a large community room and computer center and laundry facilities on each floor.

**Developer Background**

- CMHDC was established in 1982 to serve as a financial instrument CHA to provide funding for affordable housing development. In 1997, CMHDC transitioned into a non-profit corporation focusing on the development and operations of affordable housing.
- In 2010, CMHDC created CMHDC Development Services to acquire and redevelop properties outside of the city of Chicago. Combined, the two entities have developed and currently own and operate over 800 affordable units.
- In August 2014, CMHDC was approved as one of CHA's Pre-qualified Development Teams.
- Skender Construction will be the general contractor and Ludwig & Company will be the property manager.

**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 laws.

The CEO/President recommends the approval to execute a preliminary commitment letter for 7245 N. Rogers Avenue.

**RESOLUTION NO. 2015-CHA-41**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated May 13, 2015 requesting authorization to execute a preliminary commitment letter valid for one year for PRA assistance for 7245 N. Rogers Avenue;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a preliminary commitment letter valid for one year for PRA assistance for 7245 N. Rogers Avenue.



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