



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Text

File #: 24-2178, **Version:** 1

PROPOSED HOME INVESTMENT PARTNERSHIPS PROGRAM

Department: Planning and Development

Other Part(ies): Sunrise-Bergen, LLC

Request: Cook County's Department of Planning and Development requests the approval of the investment of \$2,000,000 HOME Investment Partnership funds to support the rehabilitation/redevelopment of Sunrise Apartments and Daniel P. Bergen Homes (Sunrise-Bergen), two public housing developments located in Chicago Heights totaling 107 units.

Total Development Cost: \$50,342,608.00

Project Loan Amount: \$2,000,000.00

Fiscal Impact: \$2,000,000.00

Account(s): 11900.1013.54147.580170.00000.00000

Summary: Cook County's Department of Planning and Development staff recommends the investment of \$2,000,000 of HOME funds for the rehabilitation/redevelopment of Sunrise Apartments and Daniel P. Bergen Homes (Sunrise-Bergen), two public housing developments located in Chicago Heights currently owned by the Housing Authority of Cook County (HACC). The construction (two-year term) and permanent HOME loan (30-year term) will bear 0% interest and will be fully deferred in a subordinate position.

The redevelopment will be a Rental Assistance Demonstration (RAD) conversion completed in partnership between Brinshore Development and HACC. HUD RAD transactions allow public housing authorities to leverage debt and equity for capital improvements by stabilizing operating revenue through project-based rental assistance. Sunrise-Bergen's \$50.3MM total development cost includes the demolition and reconstruction of 27 units at Sunrise Apartments, substantial rehabilitation of 65 units at Sunrise Apartments, and the substantial rehabilitation of 15 units at the nearby Daniel-Bergen Homes.

All existing public housing residents will have a right to remain on-site after renovation. Project-based rental assistance will provide operating funds to support rehabilitation capital sources including 4% LIHTC equity, IHDA first mortgage and soft funds, and the County's HOME loan while maintaining affordability on 100% of the project's 107 units for at least forty years.