



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Text

File #: 24-2914, **Version:** 1

PROPOSED RESOLUTION

PROPOSAL FOR ARPA PERMANENT SUPPORTIVE HOUSING FUNDING - ARLINGTON HEIGHTS PSH

WHEREAS, the Cook County Board of Commissioners approved \$1,000,000 of HOME Investment Partnership Program funding to Arlington Heights PSH, LLC via Item 22-1051; and

WHEREAS, the approved funding was for the development of Arlington Heights PSH (“the Project”), a 25-unit, affordable, permanent supportive housing located in Arlington Heights, IL. The Project sponsor, location, use of funds, and general Project design remain unchanged; and

WHEREAS, inflationary pressure on construction costs and modest improvements required for zoning and permit approval have increased total development costs by \$3,727,703 to \$15,379,887; and

WHEREAS, on March 11, 2021, the federal government authorized the American Rescue Plan Act of 2021 (“ARPA”) which includes \$1.9 trillion in federal stimulus funds to hasten the United States’ recovery from the economic and health effects caused by the COVID-19 pandemic; and

WHEREAS, specifically, the federal government has authorized and allocated a federal award of approximately \$1,000,372,385 of ARPA funding to Cook County to assist the County in its recovery from the economic and health effects of COVID-19; and

WHEREAS, on June 24, 2021, the Cook County American Rescue Plan Act Framework (the “ARPA Framework”) was presented to the Cook County Board of Commissioners; and

WHEREAS, the Cook County Board of Commissioners via Resolution 21-3654 accepted the ARPA federal award allocated to Cook County to assist the County in its recovery from the economic and health effects of COVID-19 in the amount of approximately \$1,000,372,385.00; and

WHEREAS, Resolution 21-3654 further authorized the Cook County Budget Director and Comptroller to create and implement a Special Purpose Fund for the ARPA award and other accounting measures to track the acceptance and spending of the federal award; and

WHEREAS, the Cook County Board of Commissioners authorized the Chief Financial Officer, Budget Director, Chief Procurement Officer and applicable using agencies to issue grants, contracts and agreements for ARPA programs approved via Resolutions 22-3657 and 22-0637; and

WHEREAS, to further the Policy Roadmap Goals, the Bureau of Economic Development has developed a menu of programs to support economic recovery, inclusive of the development of affordable and supportive housing in the post COVID era, which have undergone review and approval through the Project Management Office process to utilize ARPA funding for such programs and initiatives pursuant to the issuance of grants, contracts, and loan agreements; and

WHEREAS Resolutions 22-3657 and 22-0637 provided that any awards issued regarding ARPA programs in an amount over \$1M shall require the approval of the Cook County Board of Commissioners; and

WHEREAS, The Department of Planning and Development within the Bureau of Economic Development was designated the lead for ARPA Initiative NT095: Permanent Supportive Housing Development (Account: 11286.1027.65937.580171.00000.00000), a \$10,000,000.00 initiative geared toward providing development subsidies in the form of a subordinate mortgage to offset the increased development costs due to inflationary pressures, increased labor and material costs, supply line shortages in support of continued housing development for residents requiring supportive services in Cook County; and

WHEREAS, Full Circle Communities, Inc. (through its wholly owned single-purpose entity, Arlington Heights PSH, LLC) proposed the development of a 25-unit affordable housing and permanent supportive housing (PSH) development at 1519 S. Arlington Heights Road in Arlington Heights, a suburb in northwestern Cook County to be known as Arlington Heights PSH. The Project will be a mix of one- and two-bedroom units targeting individuals and small families with disabilities, youth aging out of DCFS-funded care, and veteran earning 30% to 50% of the Area Median Income; and

WHEREAS, Full Circle Communities, an affordable housing developer and manager with a portfolio of approximately 1,100 units will serve as an experienced owner and property manager. Further, Full Circle Communities will provide on-site management and case management that will coordinate a wide variety of supportive services to provide tenant support aimed at maintaining resident independence; and

WHEREAS, the Project approved for HOME Investment Partnership Program funding via Item 22-1051 is a permanent supportive housing development eligible for funding under ARPA Initiative NT095: Permanent Supportive Housing Development; and

WHEREAS, the proposed developer, Full Circle Communities, Inc. (through its wholly owned single-purpose entity, Arlington Heights PSH, LLC), has requested an increase in funding to \$2,500,000 in American Rescue Plan Act - Permanent Supportive Housing (ARPA-PSH) funding, with a construction and thirty-year permanent loan term, 0% permanent loan rate with principal payable from surplus cash.

NOW, THEREFORE, BE IT RESOLVED, that the Cook County Board of Commissioners hereby approves the loan of ARPA funds for the development and authorizes the Director of Planning and Development to enter into loan and security agreements with Housing Opportunity Development Corporation.