



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Text

File #: 15-0996, **Version:** 1

PROPOSED COMMUNITY DEVELOPMENT BLOCK GRANT - DISASTER RECOVERY (CDBG-DR)

Department: Planning and Development

Other Part(ies): Daveri Development Group, LLC or any other legal entity in formation by Daveri Development Group, LLC for the purposes of this project.

Request: The Department respectfully requests approval of this project, and that the Bureau Chief of Economic Development or their designee be authorized to execute, on behalf of the County of Cook, any and all documents necessary to further the project approved herein, including, but not limited to funding agreements, intergovernmental agreements, amendments, and modifications thereto. The approval of this project by the Honorable Body will permit staff to issue necessary commitments to allow this project to move forward.

Total Development Cost: \$16,348,695.00

Project Loan Amount: \$750,000.00

Fiscal Impact: \$750,000.00

Account(s): 9101401.580170

Summary: The Cook County Department of Planning and Development within the Bureau of Economic Development respectfully submits the attached Community Development Block Grant Disaster Recovery (CDBG-DR) project loan recommendation in the amount of \$750,000.00 to Daveri Development Group, LLC or any other legal entity in formation by Daveri Development Group, LLC for the purposes of this project.

This project loan will be utilized to support CDBG-DR-eligible project costs incurred during the new construction of a fifty (50) unit multi-family rental housing project located in Wheeling, IL. All fifty (50) units will be CDBG-DR-assisted. The total development cost (TDC) is \$16,348,695.00. The requested CDBG-DR funds account for less than five (5) percent of the TDC. Additional funding sources include Valley Bank as a first mortgage lender, IHDA HOME and/or Low-Income Housing Trust Fund, a DCEO Energy Grant, and equity generated through the sale of Low-Income Housing Tax Credits (LIHTC).

The requested HOME funds would subsidize the project via a permanent loan based upon the following terms: A 1%, 30-year loan, payable at 1% interest only, principal accrual until sale, refinance, or end of the loan term. The loan will be due on sale or transferrable with Cook County permission. A twenty (20) year affordability period will also apply.