



# Chicago Housing Authority

60 E Van Buren St  
Chicago, IL 60605

## Board Letter

**Agenda Date:** March 24, 2025

**Agenda #:** 2

Authorization to execute a Housing Assistance Payments contract with a) Leland Apartments and b) 5853 N Broadway Apartments.

Development Address	Community Area	Target Population
<b>Leland Apartments</b> 1201-07 West Leland Avenue	Uptown	Supportive
<b>5853 N Broadway Apartments</b> 5853 North Broadway Avenue	Edgewater	Family

Presenter: Cheryl Burns, Chief Housing Choice Voucher Officer

### **Recommendation**

It is recommended that the Board of Commissioners of the Chicago Housing Authority (CHA) authorize the CHA's Interim Chief Executive Officer, or her designee, to execute an Agreement to enter into a Housing Assistance Payments (AHAP) contract, a corresponding Housing Assistance Payments (HAP) contract, and all other documents required to implement such items for a) Leland Apartments and b) 5853 N Broadway Apartments. CHA's commitment of Project Based Vouchers will expire December 31, 2026, should any project not secure financing approvals.

The requested action complies in all material respects with applicable CHA Board policies and all applicable federal laws. Staff have completed all necessary due diligence to support the submission of this initiative.

### **Property Summary and Estimated Contract**

A HAP contract shall be issued for the following Developments utilizing funding from the Housing Choice Voucher (HCV) program:

Development Name Owner Entity	Contract Type & Term	Total # Units	PBV Units	Initial Estimated Contract	Total Estimated Contract
<b>Leland Apartments</b> MHL 7 Leland LP	AHAP HAP 30 years	107	44 PBV 22 VASH	\$925,848	\$37,559,875
<b>5853 N Broadway Apartments</b> 5853 Broadway LP	AHAP HAP 30 years	90	23	\$618,048	\$25,073,020

Initial contract rents will be determined by market comparables and fair market rents applicable at the time the HAP contract is executed. All rent determinations will comply with federal regulations and CHA policy.

### **LELAND APARTMENTS**

is an existing 137-unit, 6-story, elevator-served residential property constructed in 1927. The Leland went into the receivership under the City's Troubled Buildings Initiative in 2023. Mercy Housing Lakefront proposes to redevelop the residential building to assure that there is quality supportive housing available. After rehab, the Leland will offer 107 studio units including 17 accessible, 93 adaptable, and 3 sensory units. Rehabilitation work will include refurbishing the fire suppression, electrical, plumbing, HVAC, and elevator systems; installation of a new roof, windows, and insulation; renovation of the shared laundry room with new washers and dryers; and units upgrades including new flooring, cabinets, and appliances. Construction is estimated to take 12 months with residents temporarily moved off-site while work is completed.



A 10-year Housing Assistance Payments (HAP) contract was executed in October 2005 for 14 PBV units and was extended in 2016 through September 30, 2031, for individuals from the CHA waitlist. In 2018, CHA executed a 30-year Veterans Affairs Supportive Housing (VASH) PBV contract for 20 VASH PBV units. The US Department of Veterans Affairs (VA) refers all VASH PBV participants and provides on-site supportive services at the Leland.

It is recommended to expand CHA's partnership in Chicago's Plan to End Homeless and increase PBV assistance to the Leland Apartments:

- 44 total PBV units (30 additional PBV units) for applicants from the CHA waitlist with a preference for homeless individuals, including 10 units cross-matched with the Illinois State Referral Network.
- 22 total VASH PBV (2 additional VASH PBV units). referred from the VA for homeless veterans that need supportive housing. VA has recommended an additional 2 VASH PBV units.

Leland Apartments will provide access to a community room, exercise room, front desk security coverage, and on-site property management and supportive services. Units will be furnished with a bed, dresser, small dinette set, electric range and refrigerator. All utilities are provided by the building, including electricity.

Property Owner / Manager / Supportive Services: **MHL 7 Leland LP** is the ownership entity of **Mercy Housing Lakefront (MHL)**. MHL is the Midwest affiliate of Mercy Housing, a national non-profit organization founded in the early 1980s and committed to creating affordable housing to establish engaged, strong, and inclusive communities. Mercy Housing has developed more than 48,000 residential units nationwide. MHL currently owns 53 multi-family properties containing 5,632 residential units across Illinois, Indiana, and Wisconsin.

**Mercy Housing Management (MHM)** was formed in 1983 to provide property management and manages 21 properties containing 18,418 units across 21 states. MHM partners with CHA at six PBV developments: Belray Apartments (70 units), Holland House (70 units), Major Jenkins (76 units), Near North Apartments (42 units), Englewood Permanent Supportive Housing (50 units), and Wentworth Commons (10 units). MHM also provides property management for CHA at Lofts on Arthington (66 units).

**Mercy Housing Lakefront (MHL) Health Services Team** will provide supportive services. MHL Health Services provides a variety of health and wellness services. Through case management, initial needs assessments are conducted individually for each resident and an individualized care plan is developed. MHL Health Services also provides health referrals, counselling, art therapy, and health education workshops. The **US Department of Veterans Affairs (VA)** will provide supportive services to 22 VASH PBV units.

### **5853 N BROADWAY APARTMENTS**

is a new construction, 90-unit, 11-story, elevator-served, mixed-use property located in Chicago's Edgewater community. The building will contain 30 one-bedroom, 50 two-bedroom, and 10 three-bedroom units including 9 accessible, 81 adaptable, and 4 sensory units. The mixed-use building will offer a library and community co-working space on the lower floors. The residential portion of the building will provide shared laundry facilities, a roof deck, bike storage, 17 parking spaces, a key fob / buzzer entry system, and main entrance security desk.

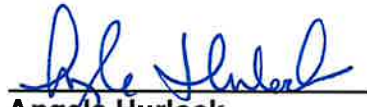


The development site is the city-owned, 48<sup>th</sup> Ward Streets and Sanitation yard and a one-story building that will be razed.

Project Based Vouchers will assist 23 units for families from the CHA waitlist: 10 one-bedroom, 10 two-bedroom, and 3 three-bedroom units. Units will provide an electric range and refrigerator for tenant use. Tenants will be responsible for all electricity including heating and cooking.

Property Owner / Manager: **5853 Broadway LP** is an affiliate of **Bickerdike Redevelopment Corporation**. Bickerdike was formed in 1967 by West Town residents, community activists, and neighborhood leaders to address the affordable housing shortage in the area. The organization works in 29 of Chicago's communities north of Lake Street and has invested more than \$600 million to construct or rehabilitate 2,267 units of affordable rental and for-sale properties. BRC owns and manages 1,194 rental homes in 140 buildings. Bickerdike partners with CHA's PBV program at Boulevard Apartments (12 units), Howard Apartments (12 units), Rosa Parks Apartments (26 units), Nuestro Hogar Apartments (12 units), Zapata Apartments (18 units). Additionally, Bickerdike manages Lucy Gonzalez Parsons Apartments (50 RAD PBV units).

Respectfully Submitted:



**Angela Hurlock**  
**Interim Chief Executive Officer**

**RESOLUTION NO. 2025-CHA-7**

**WHEREAS,** The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 24, 2025, entitled "Authorization to execute a Housing Assistance Payments contract with a) Leland Apartments and b) 5853 N Broadway Apartments".

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

**THAT,** The Board of Commissioners authorizes the Interim Chief Executive Officer, or her designee, to execute an Agreement to enter into a Housing Assistance Payments contract, a corresponding Housing Assistance Payments contract and all other documents required to implement such items for a) Leland Apartments and c) 5853 N Broadway Apartments.

A handwritten signature in black ink, appearing to read "Matthew Brewer".

**Matthew Brewer**  
**Interim Chairman**  
**Chicago Housing Authority**