

Chicago Housing Authority

60 E Van Buren St Chicago, IL 60605

Board Letter

Agenda Date: March 24, 2025 Agenda #: 1

Authorization to extend the Housing Assistance Payments contract with a) Nuestro Hogar Apartments, b) Wrightwood Senior Apartments, c) Englewood Permanent Supportive Housing, and d) 3714 Wrightwood Apartments.

Development Address	Community Area	Target Population
Nuestro Hogar Apartments 1314-18 North Karlov Avenue / 4101-03 West Kamerling Avenue 3653-57 West Wabansia Avenue	Humboldt Park	Families
Wrightwood Senior Apartments 2815 West 79th Street	Ashburn	Seniors
Englewood Permanent Supportive Housing 901 West 63rd Street	Englewood	Homeless
3714 Wrightwood Apartments 3714-16 West Wrightwood Avenue	Logan Square	Families

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 Interim Chief Executive Officer or her designee to extend the 1) Housing Assistance Payments (HAP) contract with a) Nuestro Hogar Apartments, b) Wrightwood Senior Apartments, c) Englewood Permanent Supportive Housing, and d) 3714 Wrightwood Apartments; and 2) execute all other documents as may be necessary or appropriate to implement the foregoing.

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

Property Summary and Estimate Contract

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

Development Owner/Developer	Contract Type & Term	Total # Units	PBV Units	Initial Estimated Contract	Total Estimated Contract
Nuestro Hogar Humboldt Park Cooperative Limited Partnership	HAP 25 years	31	12	\$ 198,216	\$ 6,348,918
Wrightwood Senior Apartments 79th Street Limited Partnership	HAP 15 years	85	17	\$ 167,100	\$ 2,889,730
Englewood Permanent Supportive Housing 901 West 63 rd Limited Partnership	HAP 25 years	99	50	\$ 618,000	\$ 19,794,725
3714 Wrightwood Apartments 3714 W Wrightwood LLC	HAP 15 years	12	5	\$ 153,360	\$ 2,652,118

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.

NUESTRO HOGAR APARTMENTS is a 2-building, 31-unit development located in Chicago's West Humboldt and Humboldt Park communities. The two vintage buildings provide affordable housing to families. Both buildings offer on-site laundry and parking. Recent renovations to the buildings include updated laundry and lighting. Through grant funding, the Wabansia building installed an electric heat pump system, electric stoves and the updated air conditioners were installed.



A 15-year Project Based Voucher (PBV) contract with Nuestro Hogar Apartments was executed December 22, 2010. It is recommended to extend the contract an additional 25 years to assure that affordable housing remains available. PBVs assist 12 family units with applicants referred from the CHA waitlist: 6 two-bedroom and 6 three-bedroom units. Participants are responsible for all electricity, including heat and cooking. A range and refrigerator are provided for families.

Humboldt Park Limited Partnership is owned and managed by Bickerdike Redevelopment Corporation. Bickerdike was formed more than 55 years ago by West Town residents, community activists, and neighborhood leaders to address the affordable housing shortage in the area. Bickerdike works in 29 of Chicago's communities north of Lake Street and has invested more than \$600 million to construct or rehabilitate 2,267 affordable rental and for-sale

properties. The development corporation owns and manages 1,194 rental homes in 140 buildings. CHA partners with Bickerdike Redevelopment through the PBV program at Boulevard Apartments (5 units), Howard Apartments (12 units), Rosa Parks Apartments (26 units), and Zapata Apartments (9 units).

WRIGHTWOOD SENIOR APARTMENTS

is an 85-unit, elevator-served building providing affordable housing to seniors in Chicago's Ashburn community. Seventeen of the units are wheelchair accessible, three units are accessible for the hearing impaired, and the remaining units are adaptable. On-site laundry facilities, an exercise room, and equipment and storage units are available for residents.



A 15-year PBV contract was executed August 1, 2010. It is recommended to extend the HAP contract an additional 15 years to assure that seniors from the CHA waitlist have access to affordable housing. PBVs assist 17 units: 15 one-bedroom and 2 two-bedroom. Owners provide heat. Tenants are responsible for all electricity, including cooking. An electric range and refrigerator are provided for residents.

<u>Wrightwood Senior Apartments</u> is owned by **79**th **Street Limited Partnership** and managed by **Ludwig and Company**. Ludwig and Company manage 68 apartment communities containing affordable and market rate units in 7 states. In addition to Wrightwood Senior Apartments, Ludwig and Company partners with CHA at Pullman Artspace (7 PBV units).

ENGLEWOOD PERMANENT SUPPORTIVE HOUSING is a 99-unit, 6-story, elevator-served studio

HOUSING is a 99-unit, 6-story, elevator-served studio building. The building offers community spaces, classrooms, a computer library, office space for an on-site property manager and case workers, shared laundry facilities, and on-site parking. CHA provides rental assistance to 50 studio units for homeless individuals from the CHA waitlist. A HUD-funded Supportive Housing Program provides rental assistance to the remaining 49 units.



A 15-year PBV contract was executed on September 16, 2010. It is recommended to extend the PBV contract an additional 25 years to continue CHA's commitment to Chicago's Plan to End Homelessness and assure that homeless applicants from the CHA waitlist have access to permanent supportive housing opportunities. Units are furnished with a bed, dresser, range and refrigerator. All utilities are included. On-site supportive housing is available and assist residents address health, substance abuse, mental illness and other issues to support housing stability.

901 West 63rd Limited Partnership is an ownership entity of Mercy Housing Lakefront. Mercy works to create stable, vibrant, and healthy communities by developing and operating affordable, program-enriched housing. Mercy owns and operates 42 residential properties in Illinois, Wisconsin and Indiana – assisting more than 7,000 people annually. Mercy partners with the CHA's PBV program at Belray Apartments (70 PBV units), Holland House (70 PBV units), Major Jenkins (76 PBV units), Schiff Residences (46 PBV units), and Wentworth Commons (10 PBV units).

3714 WRIGHTWOOD APARTMENTS

is a 3-story, 12-unit, walk-up residential building located in Chicago's Logan Square community. In 2013, the failed condominium development was in receivership through the City of Chicago's Troubled Building Initiative. 3714 West Wrightwood LLC purchased the property and returned it to quality housing by performing a gut rehab --replacing all building systems including plumbing, electrical, heating, air conditioning as well as unit updates, including kitchens and baths.



On June 15, 2015, CHA executed a 10-year PBV contract to provide rental assistance to five units for families from the CHA waitlist: 1 one-bedroom, 2 two-bedroom, 1 three-bedroom and 1 four-bedroom unit. It is recommended to extend the PBV HAP contract an additional 15 years to assure that affordable housing is available. Tenants at 3714 Wrightwood Apartments are responsible for all utilities including gas for heating and cooking, and all other electricity. A refrigerator, stove, and in-unit washer and dryer are provided for tenant use.

<u>3714 W Wrightwood LLC</u> was formed in 2013 by Trent Anderson. As real estate successes grew, **Sharp Rose LLC** was established to develop and manage residential properties in the city of Chicago. Today, Sharp Rose manages nearly 900 units in 60 buildings, including 3714 Wrightwood Apartments, CHA's HCV program, and Chicago's Plan to End Homelessness. This is the only PBV partnership.

Respectfully Submitted:

Angela Hurlock

Interim Chief Executive Officer



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RESOLUTION NO. 2025-CHA-6

WHEREAS,

the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 24, 2025 entitled "Authorization to extend the Housing Assistance Payments contract with a) Nuestro Hogar Apartments, b) Wrightwood Senior Apartments, c) Englewood Permanent Supportive Housing, and d) 3714 Wrightwood 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 1) extend the Housing Assistance Payments (HAP) contract with a) Nuestro Hogar Apartments, b) Wrightwood Senior Apartments, c) Englewood Permanent Supportive Housing, and d) 3714 Wrightwood Apartments; and 2) execute all other documents as may be necessary or appropriate to implement the foregoing.



Matthew Brewer Interim Chairman

Chicago Housing Authority