

AGENDA



Meetings of the Real Estate Operations Development Committee

Adjourned from 11/18/2025

NOVEMBER 25, 2025 AT 8:40 AM

*60 E Van Buren St
Chicago, IL 60605*



Chicago Housing Authority

Real Estate Operations Development Committee

Agenda

60 E Van Buren St
Chicago, IL 60605

Tuesday, November 25, 2025

8:40 AM

CHA Corporate Offices

Adjourned from 11/18/2025

I. Roll Call

II. Approval of Minutes for September 19, 2025

III. Resolutions

- 1** Authorization to award contract to American Hoist & Manlift, Inc. for agencywide elevator maintenance, repairs, and inspections.
Presenter: Leonard Langston, Jr., Interim Chief Property Officer
- 2** Authorization to execute a Housing Assistance Payment (HAP) contract with A) Belden Apartments, and B) Sarah's on Sheridan.
Presenter: Cheryl Burns, Chief Housing Choice Voucher Officer
- 3** Authorization to execute a Housing Assistance Payment (HAP) contract with A) The Suites of Autumn Green at Wright Campus.
Presenter: Cheryl Burns, Chief Housing Choice Voucher Officer
- 4** Authorization to ratify Intergovernmental Agreement (IGA) with the City of Chicago acting through its Department of Fleet and Facility Management (2FM) to conduct Environmental Review of CHA projects under the National Environmental Policy Act (NEPA) and other reviews required by regulation.
Presenter: Kemena Brooks, Chief of Staff
- 5** Authorization for the Surf Apartments General Partner to accept the assignment of Limited Partner Interest from the Investor.
Presenter: Lee Pratter, Deputy Chief Development

IV. Public Participation

V. Adjournment



Board Letter

Agenda Date: November 25, 2025

Agenda #: 1

Authorization to award contract to American Hoist & Manlift, Inc. for agencywide elevator maintenance, repairs, and inspections.

Presenter: Leonard Langston, Jr., Interim Chief Property Officer

Recommendation

The Operating Chairman of the Chicago Housing Authority ("CHA") recommends that the CHA Board of Commissioners ("Board") approve the award of a contract to the below listed contractor for agencywide elevator maintenance, repairs, and inspections. The contract shall consist of a three-year base initial term ("Initial Term"), with two (2) one-year options to extend the contract following the completion of the Initial Term. The total not-to-exceed value of the contract shall be \$7,908,265.00 in accordance with the values of the Initial Term together with all option terms set forth in the table below.

The Board further authorizes the Operating Chairman to approve each request to exercise the extension options awarded under the contract.

Recommended Awardee	Base Term	Option Terms	Total Contract Value
American Hoist & Manlift, Inc.	1 st Year: \$1,569,910.31 2 nd Year: \$1,569,910.31 3 rd Year: \$1,569,910.32	1 st Option: \$1,578,583 2 nd Option: \$1,619,951	\$7,908,265
Aggregate Total:	\$4,709,731	\$3,198,534	\$7,908,265

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

Funding

MTW Funds

Background

Property and Asset Management recommends award to American Hoist & Manlift, Inc. for agencywide elevator maintenance, repairs, and inspections. We recommend they are awarded an agreement for a 3-year base term and two (2) 1-year options for a lifetime maximum amount for \$7,908,265.

Procurement Activities

Specifications prepared by CHA staff were publicly advertised as IFB Event 3288 for Agencywide Elevator Maintenance and Inspections, on Friday, May 30, 2025. A Pre-Bid

Conference and Site Visit was held on Thursday, June 5, 2025, and seven (7) firms attended. Six (6) bids were received on Thursday, July 10, 2025, at 11AM CST. The responses to the IFB are depicted in the table below:

Vendor Responses	Total
American Hoist & Manlift	\$7,124,681.35
Mid American Elevator	\$7,373,472.00
Elevator Industries Holdings	\$7,474,372.08
1st Priority Elevator Co..	\$8,354,690.00
OTIS Elevator Company	\$10,290,340.59
Professional Elevator Services	\$13,938,841.01

Professional Elevator Services was deemed non-responsive.

After reviewing the bid submittal materials, CHA staff held a pre-award meeting with the apparent low bidder. Having completed its review of the submitted bid materials, the responses at the pre-award survey meeting and the recommendation of staff, CHA has determined that American Hoist & Manlift, Inc. is the lowest responsive and responsible bidder.

Diversity Contracting Requirements

The CHA Staff has reviewed the proposed vendors and has determined the vendors' utilization plans meet with the CHA's stated goals.

American Hoist & Manlift, Inc will satisfy the CHA 20% M/W/DBE goal through subcontracting 20% to 1st Priority an MBE business certified through Cook County. American Hoist & Manlift, Inc is proposing an OEO to satisfy their 3% Section 3 goal through a Candidate Preparation Program valued at \$237,248.00. This programs offers, Internships, Mentorship, and Pre-Apprenticeship training. American Hoist & Manlift, Inc does not have Prime or subcontracts directly with CHA.

Vendor Background Information

Joe Anderson, President: 15811 Annico Dr #5, Homer Glen, IL 60491. American Hoist & Manlift, Inc. (AHM) was founded in 1999 and has grown from a one-person operation into a company with 54 employees and \$14 million in annual revenue. With more than 25 years of experience in the elevator and vertical transportation industry, American Hoist & Manlift, Inc. is committed to providing reliable service, responsive support, and solutions that protect tenants, staff, and facilities.

Based on the foregoing, it is in the best interest of the CHA for the Board to authorize the Operating Chairman or his designee, to enter a contract for agencywide elevator maintenance, repairs, and inspections with American Hoist & Manlift, Inc. in the amount of \$7,908,265.00.

Respectfully Submitted:

Matthew Brewer
Operating Chairman



RESOLUTION NO. 2025-CHA-XX

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 25, 2025 entitled "Authorization to award contract to American Hoist & Manlift, Inc. for agencywide elevator maintenance, repairs, and inspections".

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

THAT, the Board of Commissioners authorizes the Operating Chairman or his designee to award a contract to American Hoist & Manlift, Inc. in an amount not-to-exceed \$7,908,265.00 for a five (5) year term.

This award is subject to the Contractor's compliance with CHA's Diversity Contract Compliance and insurance requirements.

James Matanky
Interim Vice Chairman
Chicago Housing Authority



Board Letter

Agenda Date: November 25, 2025

Agenda #: 2

Authorization to execute a Housing Assistance Payment (HAP) contract with A) Belden Apartments, and B) Sarah's on Sheridan.

Development Address	Community Area	Target Population
Belden Apartments 754 West Belden Avenue	Lincoln Park	Supportive
Sarah's on Sheridan 1005 West Leland Avenue	Uptown	Supportive

Presenter: Cheryl Burns, Chief Housing Choice Voucher Officer

Recommendation

It is recommended that the Board of Commissioners ("Board") of the Chicago Housing Authority ("CHA") authorize the CHA's Operating Chairman, or his 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) Belden Apartments, and b) approve an additional eleven (11) Project Based Vouchers at Sarah's on Sheridan. Should Belden Apartments not secure required financing approvals, CHA's commitments will expire December 31, 2027.

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

An AHAP/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
Belden Apartments Over the Rainbow	AHAP/HAP 15 years	30	30	\$810,360.00	\$15,573,987.00
Sarah's on Sheridan Sarah's Circle	HAP 25 years	38	38	\$694,032.00	\$25,303,896.00

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.

Belden Apartments

is a new construction, 30-unit, 5-story elevator served residential property located in Chicago's Lincoln Park community. The building will contain thirty (30) 1-bedroom units. All thirty (30) units will be fully accessible.

Project Based Vouchers will assist 30 units. Applicants will come from CHA's waitlist. Units will contain an electric range and refrigerator. Owners will be responsible for all electric utilities, including heating, water heating and cooking.



Property Owner: **Belden Apartments** ownership structure will be formed to consist of a limited partnership, including a general partner entity to be formed and a limited partner to be formed that will serve as the primary LIHTC investor. The sole member of the general partner to be formed will be Over the Rainbow Association, an Illinois non-for-profit (OTR).

Over the Rainbow Association is a leading provider of affordable, barrier-free housing solutions and person-centered services for people with physical disabilities. OTR is dedicated to increasing the quality of life for individuals with physical disabilities through the creation of affordable, accessible, barrier-free housing solutions and person-centered services that encourage independent living. OTR has been involved with the development and management of eleven (11) affordable housing buildings with a total of two hundred sixty (260) units located in Chicago and northern Illinois.

Property Manager: **Over the Rainbow Association** has been managing properties since its first development in 1981 and is very familiar with its target population. OTR has five (5) executive staff members: 1) Executive Director and Vice President of Finance, 2) Vice President of Development, 3) General Counsel, 4) Vice President of Property Management and a 5) Director of Resident Services. A large property management staff will oversee the day-to-day operations at the property.

OTR provides accessible, affordable housing for adults through their portfolio of income restricted communities. Seventy-three (73) units are LIHTC and 100% of units have project based rental assistance from the Housing Authority of Cook County (HACC), the Regional Housing Initiative (RHI) and the Illinois Housing Development Authority (IHDA) (including IHDA's Long Term Operating Support (LTOS) and Section 811 programs). OTR has experience with compliance, fair housing regulations, leasing and management. OTR's Vice President of Compliance has expertise in HUD programs and is a Certified Occupancy Specialist (COS), COS Advanced, Blended Occupancy specialist, Certified Financial Manager of Affordable Housing, and a Housing Credit Certified Professional.

Sarah's on Sheridan

was newly constructed under budget during the COVID pandemic in 2020. It consists of thirty-eight (38) permanent supportive housing (PSH) studio units in a 6-story elevator building. In addition to the PSH units the building includes space for the agency's f50-bed Interim Housing Program. All of the PSH units are leased to single, unaccompanied women over the age of eighteen (18) who have experienced homelessness.



The building currently has twenty-seven (27) CHA Project Based Vouchers (PBV). Eighteen (18) were awarded in 2018 and an amendment for an additional nine (9) PBV were approved in 2020. Eleven (11) units have Chicago Low Income Housing Trust Fund (CLIHTEF) vouchers, however, due to program funding challenges CLIHTEF subsidies have not been renewed as participants exited the program. This request is for eleven (11) additional vouchers to replace the four (4) that have been lost and remaining seven (7) units that will be lost when the current participants move out.

Sarah's on Sheridan's provides fully furnished units equipped with essential household items, (dishes, linens, utensils, garbage bins, towels, and more). Building amenities include a commercial kitchen, computer lab, laundry rooms, 24 hour/7 day a week front desk coverage, monitored internal and external security cameras and key fob entry. All utilities are provided by the building, including electricity. All of the proposed PBV units substantially comply with Housing Quality Standards (HQS) inspection requirements. PBV units utilize the CHA waitlist with a preference for homeless individuals.

Property Owner: **Sarah's on Sheridan LLC**, an Illinois limited liability company, wholly owned by Sarah's Circle, an Illinois not-for-profit, as its sole member, has been in Chicago's Uptown community since 1979. Sarah's Circle is dedicated to serving women experiencing homelessness. Over their 46-year history, Sarah's Circle has evolved from a volunteer-run drop-in center to a comprehensive social service provider. With a deep understanding of homelessness and the challenges facing women, Sarah's Circle works to end homelessness for the women they serve.

Sarah's Circle also owns twenty-eight (28) units at Sarah's on Lakeside and ten (10) units at The Judy Krueger Apartments .

Manager: **Sarah's Circle** has been managing its owned and operated mixed use buildings since 2013. The Executive Director and the Senior Director of Finance and Properties each have over fourteen (14) years' experience at Sarah's Circle. A Facilities Manager supervises two (2) Maintenance Technicians who are responsible for cleaning the facilities and assisting with minor repairs.

Supportive Services: **Hamdard Health Alliance's** mission is to improve the lives of those affected by domestic violence and to break the cycle of violence for future generations.

Heartland Alliance Health and **Threshold Mobile Crisis Response Team** partner with Sarah's Circle to empower women by rebuilding them both emotionally and physically to realize their full potential. The partners maintain offices on-site.

Respectfully Submitted:

Matthew Brewer
Operating Chairman



Agenda #: 2

RESOLUTION NO. 2025-CHA-

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated November 25, 2025, entitled "Authorization to execute a Housing Assistance Payment (HAP) Contract with a) Belden Apartments, and b) Sarah's on Sheridan".

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

THAT, The Board of Commissioners authorizes the Operating Chairman, or his 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 for the following developments: a) Belden Apartments, and b) Sarah's on Sheridan.

James Matanky
Interim Vice Chairman
Chicago Housing Authority



Board Letter

Agenda Date: November 25, 2025

Agenda #: 3

Authorization to execute a Housing Assistance Payment (HAP) contract with A) The Suites of Autumn Green at Wright Campus.

Development Address	Community Area	Target Population
The Suites of Autumn Green at Wright Campus 4255 North Oak Park Avenue	Dunning	Seniors

Presenter: Cheryl Burns, Chief Housing Choice Voucher Officer

Recommendation

It is recommended that the Board of Commissioners ("Board") of the Chicago Housing Authority ("CHA") authorize the CHA's Operating Chairman, or his designee, to execute Housing Assistance Payments (HAP) contract, and all other documents required to implement such items for A) The Suites of Autumn Green at Wright Campus.

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
The Suites of Autumn Green at Wright Campus Senior Suites Chicago Wright Campus, LLC	HAP 10 years	36	8	\$128,880.00	\$3,879,377.00

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.

The Suites of Autumn Green at Wright Campus

are a thirty-six (36) unit, four (4)-story elevator building that was placed in service in 2011. There are a total of twelve (12) one-bedroom and twenty-four (24) 2-bedroom units. Five (5) units are accessible, four (4) adaptable and six (6) are sensory. Project Based Vouchers (PBV) will continue to assist the eight (8) senior units: six (6) 1-bedroom, two (2) 2-bedroom. Applicants will come from CHA's waitlist.



Units contain a gas range stove and refrigerator. All utilities are provided by the building, including electricity. Services available to participants include weekly transportation to grocery store, planned social activities and programs, emergency pull cord system, and daily electronic check-in service. Available to tenants are a community room, front desk security coverage, surface parking and on-site property management.

The Suites of Autumn Green at Wright Campus was Board approved for eight (8) units on December 9, 2009. A 15-year Housing Assistance Payments (HAP) contract was executed February 1, 2011.

The PBV application will extend the existing PBV Housing Assistance Payment contract for ten (10) years. All eight (8) PBV units substantially comply with Housing Quality Standards (HQS) inspection requirements.

Property Owner: **Senior Suites Chicago Wright Campus, LLC**, an Illinois limited liability company, **has** offered high-quality living apartment homes with specially designed amenities for older adults in many Chicago neighborhoods. The Members are:

Managing Member: **Senior Suites Chicago Wright Campus, JV LLC**, an Illinois limited liability company, owned by both TRP Senior Housing Development Corporation, NFP, an Illinois not-for-profit, which is wholly owned by the Resurrection Project, and Senior Suites Chicago Corporation, an Illinois corporation, as Manager of the Managing Member. Ownership is shared by William B. Kaplan (60%), James B. Klutznick (30%), Israey Levy (through Israel Levy Revocable Trust dated September 6, 2003 (9%) and Cindy Levy (through Israel Levy Revocable Trust dated September 6, 2003 (1%).

The Managing Member, Senior Suites Chicago Corporation, incorporated in 1993, is majority owned by William B. Kaplan and James B. Klutznick who, since 1985, have grown the Senior Lifestyle portfolio to more than eighty-four (84) senior housing communities supporting independent living, assisted living, memory care, and affordable housing developments throughout twenty (20) states. Mr. Kaplan continues to serve as Co-Founder and Chairman.

Investor Member: **BCP/SS Wright Campus, LLC**, as tax credit syndicator.

Special Member: **BCCC, Inc.**, a special member entity performing asset management for the tax credit syndicator.

Manager: **Senior Lifestyle** has thirty-five (35) years in helping seniors live vibrant and healthy lifestyles with ease. Senior Lifestyle manages independent, assisted, memory care and affordable housing for seniors.

Respectfully Submitted:

Matthew Brewer
Operating Chairman



Agenda #: 3

RESOLUTION NO. 2025-CHA-

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated November 25, 2025, entitled "Authorization to execute a Housing Assistance Payment (HAP) Contract with A) The Suites of Autumn Green at Wright Campus".

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

THAT, The Board of Commissioners authorizes the Operating Chairman, or his designee, to execute a Housing Assistance Payments (HAP) contract and all other documents required for the following developments: a) The Suites of Autumn Green at Wright Campus.

James Matanky
Interim Vice Chairman
Chicago Housing Authority



Board Letter

Agenda Date: November 25, 2025

Agenda #: 4

Authorization to ratify Intergovernmental Agreement (IGA) with the City of Chicago acting through its Department of Fleet and Facility Management (2FM) to conduct Environmental Review of CHA projects under the National Environmental Policy Act (NEPA) and other reviews required by regulation.

Presenter: Kemena Brooks, Chief of Staff

Recommendation

The Operating Chairman of the Chicago Housing Authority ("CHA") recommends that the CHA Board of Commissioners ("Board") authorize the Operating Chairman or his designee to: 1) enter into an Intergovernmental Agreement ("IGA") with the City of Chicago, acting through its Department of Fleet and Facility Management ("2FM"), for a five (5) year base term for a not-to-exceed value of \$2,500,000 to act as the Responsible Entity of CHA projects requiring environmental review under the National Environmental Policy Act (NEPA) and other reviews under 24 CFR Part 58; and 2) execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

Funding

MTW Funds. The IGA includes a not to exceed amount of \$2,500,000 over the total five-year period. This amount includes staffing costs for 2FM as CHA's Responsible Entity and consultants to complete the environmental reviews required by Federal regulation. Costs for these services will be billed on a quarterly basis and expenses will be verified against work completed for environmental reviews.

Overview

As a public housing authority (PHA), CHA is subject to National Environmental Policy Act (NEPA) rules and regulations. Before certain federally assisted PHA capital projects can take place, a NEPA environmental review must be completed and approved by a governmental entity. This NEPA review process, commonly known as the environmental review process, is the act of reviewing a project's potential environmental impacts to determine if the project meets federal, state, and local environmental standards. The Intergovernmental Agreement (IGA) recommended for approval through this board action continues the existing 2020-2025 agreement between CHA and the City of Chicago for completing NEPA reviews for another five years.

The environmental review process evaluates how a project may affect the surrounding environment and how environmental conditions will impact the project and surrounding community. The review process evaluates the potential environmental impact of a project against the 16 categories of environmental consideration outlined in the NEPA Federal regulation. CHA projects typically only trigger significant impacts in three categories: 1) Noise Abatement and Control, 2) Contamination and Toxic Substances, and 3) Historic Preservation.

If a review identifies significant impacts, the PHA is required to take mitigation actions as a condition of clearance.

An environmental review must be performed before any funds, regardless of source, are committed to capital projects. For CHA, the environmental review is required for capital activities described in the annual Moving to Work (MTW) Plan and it is anticipated that such reviews will be a requirement of any subsequent agreement, such as executing legally binding agreements, with HUD to expend federal funds.

The type of work that requires NEPA review includes, but is not limited to, acquisitions of new property, dispositions of existing CHA property, Rental Assistance Demonstration (RAD) property transactions, new construction, rehabilitation, certain transactions under CHA's Project Based Voucher (PBV) program. Routine maintenance such as re-painting or building operating costs are not subject to environmental review.

Under HUD regulations at 24 Code of Federal Regulations (CFR) Part 58, CHA has a Responsible Entity (RE) assume the authority to perform environmental reviews on behalf of HUD which funds the vast majority of CHA projects.

The City of Chicago's Department of Fleet and Facility (2FM), led by Commissioner Julie Hernandez-Tomlin, is the CHA's current RE. As the RE, the City will continue to assume responsibility for environmental reviews, evaluate found environmental issues, and make the final environmental decision concerning project approval, decision-making, and action that would otherwise be performed by HUD under NEPA. The RE assumes the responsibility of ensuring CHA follows other HUD laws and regulations that concern the environment and environmental health, including, but not limited to, regulations like the Lead Safe Housing Rule.

From 2001 to 2006 the City of Chicago was performing the required environmental reviews for CHA. In 2006, the responsibility for conducting the environmental reviews under NEPA was transferred to the Illinois HUD Office. In 2015, the responsibility shifted back to the City of Chicago, which has completed environmental reviews through 2FM.

Reviewing capital projects for their environmental impact is an important part of CHA's work preserving and expanding housing opportunities in Chicago. CHA and 2FM have been working closely to continuously improve coordination and collaboration through the environmental review process. This includes working to integrate NEPA reviews with the related work being done by CHA's Health Homes team, creating shared digital collaboration spaces, tracking project status and priority-level on a weekly basis, and providing training and resources to staff engaged in projects requiring environmental review.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable HUD procurement regulations.

Respectfully Submitted:

Matthew Brewer
Operating Chairman



Agenda #: 4

RESOLUTION NO. 2025-CHA-XX

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 25, 2025, entitled "Authorization to ratify Intergovernmental Agreement (IGA) with the City of Chicago acting through its Department of Fleet and Facility Management (2FM) to conduct environmental review of CHA projects under the National Environmental Policy Act (NEPA) and other reviews required by regulation".

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

THAT, the Operating Chairman or his designee, is authorized to enter into an Intergovernmental Agreement ("IGA") with the City of Chicago, acting through its Department of Fleet and Facility Management ("2FM"), for a five (5) year base term for a not-to-exceed value of \$2,500,000 to act as the Responsible Entity of CHA projects requiring environmental review under the National Environmental Policy Act (NEPA) and other reviews under 24 CFR Part 58; and,

THAT, the Operating Chairman, or his designee, shall further have the authority to execute such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

James Matenky
Interim Vice Chairman
Chicago Housing Authority



Board Letter

Agenda Date: November 25, 2025

Agenda #: 5

Authorization for the Surf Apartments General Partner to accept the assignment of Limited Partner Interest from the Investor.

Development Address	Community Area	Target Population
Britton Budd Apartments 501 West Surf Street Chicago, IL 60657	Lakeview	Seniors

Presenter: Lee Pratter, Deputy Chief Development

Recommendation

The Operating Chairman of the Chicago Housing Authority (“CHA”) recommends that the CHA Board of Commissioners (“Board”) authorize the Operating Chairman or his designee to: 1) accept the assignment of Limited Partnership Interest from the Investor Limited Partner, Redstone Equity Holding, LLC and Red Stone Equity Manager, LLC (collectively referred to Red Stone) in Surf Senior Housing Limited Partnership; and 2) execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

Property Summary

Britton Budd Apartments (also known as Surf Apartments) is located in the Lakeview community area at 501 W Surf Street. The development is an 11-story public housing building comprised of 173 total units, studios and one-bedrooms for seniors.

Britton Budd was constructed in 1917, acquired by the Authority in the 1950s and has been designated as a contributing element to the Surf-Pine Grove District, which is designated by the City Council as a Chicago Landmark District.

Funding

N/A

Compliance

N/A



Background and Approach

In 2008, CHA completed a gut rehabilitation of the 91-year-old building through a mixed finance, 4% low-income housing tax credit transaction. The tax-exempt bond/low-income housing tax credit financing required that a single-purpose limited partnership be established.

CHA created Surf Senior Housing Limited Partnership, whose purpose was to rehabilitate and operate Britton Budd Apartments. Surf Housing Development LLC was formed to serve as the general partner of the limited partnership. The CHA is the only member of the general partner, Surf Housing Development, LLC, with .1% ownership. As the sole member of the general partner, CHA is responsible for the overall management of the property and engages a third-party property manager, WinnCompanies, to handle day-to-day management issues. At initial project closing, Red Stone Equity Holding, LLC, joined the Limited Partnership as the Limited Partner with 99.899% ownership and Red Stone Equity Manager, LLC, as the Special Limited Partner with 0.001% ownership of Surf Senior Housing Limited Partnership. The Limited Partner is an investor in the property and does not participate in the general operations or assume liability for the property.

As is customary for a low-income housing tax credit limited partnership at the completion of the tax credit compliance period in year 15, Red Stone wants to exit from its combined 99.9% ownership in the partnership. Red Stone has agreed to assign their interest to CHA or a CHA-

controlled entity, and it is anticipated that the transfer will be completed in Q1 2026. Red Stone has agreed to exit in return for a \$70,000 exit payment to cover asset management fees, the capital transaction fee, and legal costs owed to them.

Once Red Stone's interest is transferred, CHA will be able to make long-term financial decisions regarding capital needs for the property without the consent of an investor partner. Once Red Stone exits the partnership, the property will no longer have to pay Asset Management fees to the investor, and all cash flow returns to CHA. Through this action, Britton Budd Apartments will continue to serve existing senior residents and the community as a CHA senior affordable housing asset.

The requested action complies in all material respects with all applicable federal, state and local laws, and CHA policies. CHA staff have completed the necessary due diligence, including required reviews of project documents and regulatory compliance and consulted with Rubin Brown, the project's tax advisor, to support the submission of this request.

Respectfully Submitted:

Matthew Brewer
Operating Chairman



Agenda #:5

RESOLUTION NO. 2025-CHA-XX

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 25, 2025, entitled “Authorization for the Surf Apartments General Partner to accept the assignment of Limited Partner Interest from the Investor.”

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

THAT, the Operating Chairman or his designee may accept the assignment of Limited Partnership Interest from the Investor Limited Partner, Redstone Equity Holding, LLC and Red Stone Equity Manager, LLC (collectively referred to as the Investor Limited Partner) in Surf Senior Housing Limited Partnership; and

THAT, the Operating Chairman or his designee may execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

James Matenky
Interim Vice Chairman
Chicago Housing Authority