



Agenda Item Summary

File #: RES 18-1008, **Version:** 1

Submitted By

Tammie Grossman, Director of Development Customer Services

Reviewed By

LKS

Agenda Item Title

A Resolution Approving a Funding Grant Agreement between the Village of Oak Park and the TCB Oak Park LLC in the Amount of \$500,000 for the Redevelopment of a Vacant Lot at 809 S. Oak Park Ave., Oak Park, Illinois and Authorizing Its Execution as Directed at the September 25, 2017 Special Meeting

Overview

At the September 25, 2017 Special Meeting the Village Board directed staff to issue a Request for Proposals (RFP) for projects to create or retain affordable housing options in the community utilizing funds held in the Village's affordable housing funds. On July 30, 2018, the Village Board approved the funding recommendations made by staff and the Housing Programs Committee (HPAC). This matter is to approve a funding grant agreement between the Village of Oak Park and the Community Builders, Inc. to create and operate an affordable housing transit oriented mixed-use development at 801 S. Oak Park Ave., Oak Park, Illinois.

Staff Recommendation

Approve the Resolution

Fiscal Impact

The Village holds approximately \$1,400,000, in an affordable housing fund awaiting approval for distribution to appropriate affordable housing projects/programs. The Village approved two allocations to Housing Forward in the amount of \$598,108 leaving a remaining balance in the fund of approximately \$800,000.

Background

The Village holds approximately \$1,400,000, in an affordable housing fund awaiting approval for distribution to appropriate affordable housing projects/programs. The Funds were received as compensating benefits from residential and mixed-use land developers through a negotiated process associated with either a redevelopment agreement or planned development application, or both, in an effort to support affordable housing projects or programs. At the September 25, 2017 Special Meeting, the Village Board directed staff to issue a RFP for projects to create or retain affordable housing options in the community. On July 30, 2018, the Village Board approved the funding recommendations made by staff and the Housing Programs Committee (HPAC).

Community Builders submitted a proposal for a transit-oriented development which will consist of 37 units of high quality rental apartments including two live-work units, 23 parking spaces, resident community amenity

space, along with approximately 1,000 sf. of commercial space. The project will provide high quality affordable housing at an excellent location for Oak Park's lower-income workforce (individuals earning between minimum wage and approximately \$17 per hour).

Since Community Builders intends to use the grant funds to purchase the property located at 801 S. Oak Park Ave., we recommend that the funding agreement be secured by a mortgage and note in case the project is not completed. The Village would be protected because we would be able to foreclose on the property should the project not move forward.

The approval of the Planned Development Ordinance recommended by the Plan Commission is earlier on the Agenda tonight.

Alternatives

Not approve the resolution and request staff to issue another Request for Proposals.

Previous Board Action

On September 25, 2017, the Village Board directed staff to issue a RFP for projects. On July 30, 2018, the Village Board approved the funding recommendations made by staff and the Housing Programs Committee (HPAC).

On July 30, 2018, the Village Board approved the funding recommendations made by staff and the Housing Programs Committee (HPAC).

Citizen Advisory Commission Action

On April 25, 2018, HPAC reviewed the proposals received in Response to the RFP and supported staff's funding recommendations.

Anticipated Future Actions/Commitments

NA

Intergovernmental Cooperation Opportunities

NA

Performance Management (MAP) Alignment

A governance priority for Development Customer Services is affordable housing.