



HOUSING
OPPORTUNITY
DEVELOPMENT
CORPORATION



UP Development, LLC

Plan Commission
Village of Arlington Heights
33 S. Arlington Heights Road
Arlington Heights, IL 60005

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PLANNING & COMMUNITY
DEVELOPMENT DEPARTMENT

Re: PUD proposal for Heart's Place - 120 W. Boeger Dr. & 5 W. Dundee Rd.

February 10, 2017

Dear Members of the Plan Commission,

Please accept the enclosed materials as our submittal for a PUD proposal for the Heart's Place development, to be located on the adjoining lots at 120 W Boeger Dr (PIN 0308100054) and 5 W Dundee Rd (PIN 0308100053).

Heart's Place will be a 16-unit, Permanent Supportive Housing apartment building for people living with disabilities and in need of supportive services, to be developed using competitive low-interest loans and grant funds from the Illinois Housing Development Authority. As you know, the Village Board denied the requested variances for a different supportive housing project in 2010, with the majority of the Board comments relating to density and parking variances. As the land has remained vacant in the years since, the project is now redesigned to eliminate those variances and the current building scope and program design are tied very closely to the Village's goals. Demand for Heart's Place is expected to far surpass the limited number of units represented in this proposal, as evidenced in the market study as well as seen in our shared leasing experiences of similar developments.

In response to several non zoning related questions raised in the Plat & Subdivision committee, please see below:

1. What is the target population of Heart's Place?

Heart's Place will be a disability-neutral Permanent Supportive Housing (PSH) development. That means that residents considered for Heart's Place will include adult family members or individuals with any sort of disabling condition (physical, developmental, or mental) that is serious enough to cause a disability, but not so serious as to require institutional or supervised living. A variety of household compositions - including parents with children, related adults, unrelated 'roommates', and persons that require live-in assistance - will be considered.



2. Will Heart's Place house homeless individuals?

Heart's Place will not provide emergency shelter or transitional housing for the homeless. As a PSH development, and in accordance to Priority Need #3 identified in the Consolidated Plan, it will enable persons with special needs who are not currently homeless to live healthily and as independently as possible. Additionally, in accordance to Priority Need #2, Heart's Place will work with referral agencies and service providers to provide permanent homes to households in the community who are at risk of homelessness or were formerly homeless.

HODC is proud to partner with Wings, Pads and other well respected area agencies on this project, all of whom will have access to units for tenant referrals.

3. What security measures will be provided within the property?

Heart's Place will have security cameras in all common areas, both inside and outside. Management staff, maintenance staff, case managers and service providers will be present at the site during business hours to provide management, maintenance, and supportive social services as needed.

Thank you for this opportunity to bring much-needed affordable and supportive housing to Arlington Heights. Please accept this invitation to tour either a HODC or UPD permanent supportive housing development in advance of the public hearing. Our shared experience is that individuals who are not familiar with the product type are very impressed with a tour and opportunity to meet residents who have benefited so greatly from a municipal commitment to those with special needs. We look forward to receiving your comments and answering any questions that may be pending about the project.

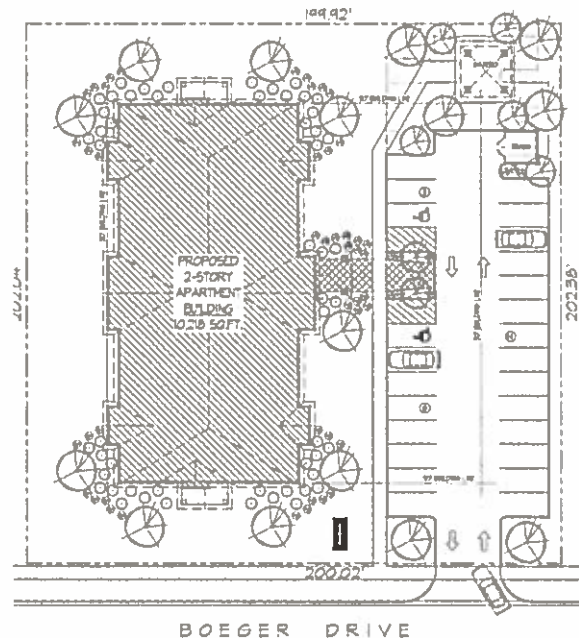
Sincerely,

Richard Koenig
Executive Director
Housing Opportunity Development Corporation



Heart's Place – Arlington Heights, IL

Heart's Place will be a new construction apartment building at 120 & 122 E. Boeger Drive in Arlington Heights, IL. This is the same site as the previously IHDA-approved Boeger Place (2010 LIHTC Award), which was denied by the Village Board due to requested variances, specifically for parking reductions and increased density. Now re-designed as a small, family permanent supportive housing development, Heart's Place will be a 16-unit apartment building targeted towards people living with disabilities and needing access to services. The first floor will be a mixture of ancillary residential spaces including offices, laundry and a community room. The unit mix will include two bedroom apartments of various sizes and targeted to different referral lists, all qualified as supportive households (please see project timeline and details on the next page).



The Project site has been vacant for many years, is located in a well-established mixed-use area and is conveniently located near many public and private amenities. The surrounding area incorporates multi-family developments, commercial uses, recreational areas and public schools along West Dundee Road, a major roadway in the area. Additional amenities within walking distance include retail stores, restaurants, a bank, and a pharmacy, in addition to parks, schools, and healthcare facilities. Arlington Heights offers many opportunities for employment in multiple sectors likely to have wages consistent with affordable housing, such as retail, service, manufacturing, and hospitality.

Heart's Place residents will have access to a full spectrum of supportive services, including case management, life & parenting skills, and employment support, that are individually tailored to their needs and designed to encourage independent living. Services will be offered through a network of community-based service providers under the coordination of the Housing Opportunity Development Corporation ("HODC"). HODC has many years of experience partnering with supportive services agencies throughout the north and northwest suburbs including Thresholds, WINGS, Catholic Charities, CEDA Northwest, Center of Concern, Journeys, Kenneth Young Center, Alexian Brothers, TLS for Veterans, Access Living and others. HODC has a reciprocal relationship with many of these agencies for tenant referrals and the provision of on-site services for residents at its residential developments, which ensures that residents have access to the programs and services they need to remain independent.

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This project is a strong candidate for IHDA's new Permanent Supportive Housing Development Program, a new program created to fund small supportive housing projects that are not a good fit for Tax Credit funding. This new program recognizes the realities and needs of communities such as Arlington Heights, where there is a serious deficit of supportive housing but the development size is limited by the largely built-out nature of the community. Heart's Place was thus carefully re-designed to meet the state's requirements, the goals of the Arlington Heights community, and the needs of the vulnerable populations it will serve.

Project details:

Timeline

PUD & IHDA Applications	February 2017
Closing / Start Construction	Summer 2017
Begin Marketing / Lease-up	Spring 2018
Finish Construction	Summer 2018
100% Occupancy	Winter 2018

Building height 24'-6"

Number of stories Two

Number of units 16

Tenancy structure Rental

Green features & Sustainable design

- Enterprise Green Communities 2015 Certification
- HERS rating of 75 or lower

Affordability and Project Rental Rates

Heart's Place

120-122 E. Boeger Drive, Arlington Heights

Heart's Place will provide 16 2-bedroom units of rental housing in the northwestern area of Arlington Heights. **In compliance with the local Housing Commission guidelines for buildings with 6-25 units, the project will provide a minimum of 10% of all units at rents deemed "affordable" per the Guidelines.** These 2 units will be maintained at affordable rents for tenants (subject to annual inflation and local Guideline updates) in perpetuity, and recorded by deed restriction for compliance.

We plan to pursue a variety of different financing mechanisms which will determine the final rental mix. First we will pursue the Illinois Housing Development Authority's Permanent Supportive Housing Development Program, to be complemented as necessary by low interest rate loans and grants. We hold expertise in these highly competitive programs, all of which would more than satisfy the local guidelines for affordability. Ideally, all of the units will be rented at affordable rates.

Proposed market rents are contemplated at \$1298 per month for each apartment at Heart's Place. This figure is contingent on the development receiving an allocation of funds from the state, as well as project-based subsidies from other sources. Rental subsidies would ensure the tenants do not pay more than 30% of their income towards the rent. The maximum tenant contribution for a 2BR unit is \$1,026. This rental figure is subject to change as the financing mix changes.

We understand the VAH commitment to the creation of affordable housing and respect the "fee in lieu" imposed on developers who cannot create viable solutions to house a diverse local population. We believe affordable housing is critical for the community and are committed to ensuring Heart's Place complies with the guidelines for a minimum of 10% of the units to be rented at affordable rates in perpetuity.

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