



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor

FROM: Elizabeth H. Tyler, AICP, City Planner/Director

DATE: December 6, 2007

SUBJECT: Lakeside Terrace Redevelopment Update

Description

Comprehensive background information regarding the redevelopment of Lakeside Terrace has previously been provided to the City Council in memoranda dated January 19, 2006 and November 10, 2006 and in presentations by staff, the housing authority, and Brinshore Development, LLC. Additional policy guidance information is contained in the City's Lakeside Terrace Redevelopment Plan, dated June 3, 2004.

As shown on the attached site plan, the current development proposal, which is called Crystal View Townhomes, would include a total of 70 mixed-income dwelling units in 17 separate buildings along with a community building and tot lot. The units will be comprised of 48 two-bedroom units, 12 three-bedroom unit, and 10 four-bedroom units. Of the 70 units, 25% or 18 will be public housing units, with project-based vouchers attached to them; 67% or 47 units will be affordable to households having incomes at or below 60% of the area median; and the remaining 7% or five units will be unrestricted or market rate. The plans include natural plantings and green building technology, including the use of geothermal heating and cooling processes to reduce energy costs to the residents. The site plan also shows a "green walk" and green space along the Saline Branch which runs along the southern edge of the property.

As is typical for this type of project, the developer, Brinshore Development, L.L.C., has proposed to complete the redevelopment of Lakeside Terrace, using a variety of funding sources, including private loans, City support (through CDBG and HOME funds), bond cap funds, low income housing tax credits issued by the Illinois Housing Development Authority (IHDA) and a variety of other funds offered by IHDA.

Update

Brinshore Development recently submitted another application to IHDA for Tax Credit funding for the project called Crystal View Townhomes. An earlier application filed in 2006 was denied due to the number of units then proposed at the site (96 units). Subsequent to that denial and with the City Council's approval, Brinshore submitted two applications with a lesser number of units (70 total). These applications were scored very high by IHDA, but were not funded due to the Statewide competition for the funds.

In the current submittal, Brinshore was able to attain several additional competitive points through use of the following strategies:

1. Set aside of units for supportive housing.
2. Green architecture elements, including the use of geothermal energy. These are newly offered points by IHDA.
3. A commitment from Carle to provide computer equipment to the community building as an indicator of live near work support from an employer.

Additional points have previously been attained in the last submittal through the inclusion of Homestead Corporation as a local nonprofit development partner for the project. The current application was further strengthened by an increased financial commitment from the City in the form of waived building permit fees (valued at \$75,000) and eligibility for sales tax exemption on building materials for the community building since it is contained in our Enterprise Zone. Other participating live near work support letters were provided by Provena Covenant Hospital and Urbana School District Unit 116. State Representative Naomi Jakobsson and Mayor Laurel Lunt Prussing also offered letters for support for the project.

The financial commitment in the form of an agreement with Carle Foundation Hospital itself provides the application package with three additional points (on a scale of approximately 50). This commitment was entered into by Carle Foundation as a way of demonstrating their pledge to provide replacement housing in the neighborhood to compensate for any loss that may occur due to their future expansion plans. The Crystal View Townhomes will be a short walk from Carle Hospital and it is anticipated that a number of Carle employees would be income qualified to live at this development.

The developer is optimistic that the above described changes to the application will allow it to attain the tax credit funding in either the December, 2007 or April 2008 rounds of funding. If the project is not funded by the April 2008 round, then Brinshore may choose to decline further participation in the project and the Housing Authority may decide to either seek a new developer or to redevelop the site on their own.

Fiscal Impacts

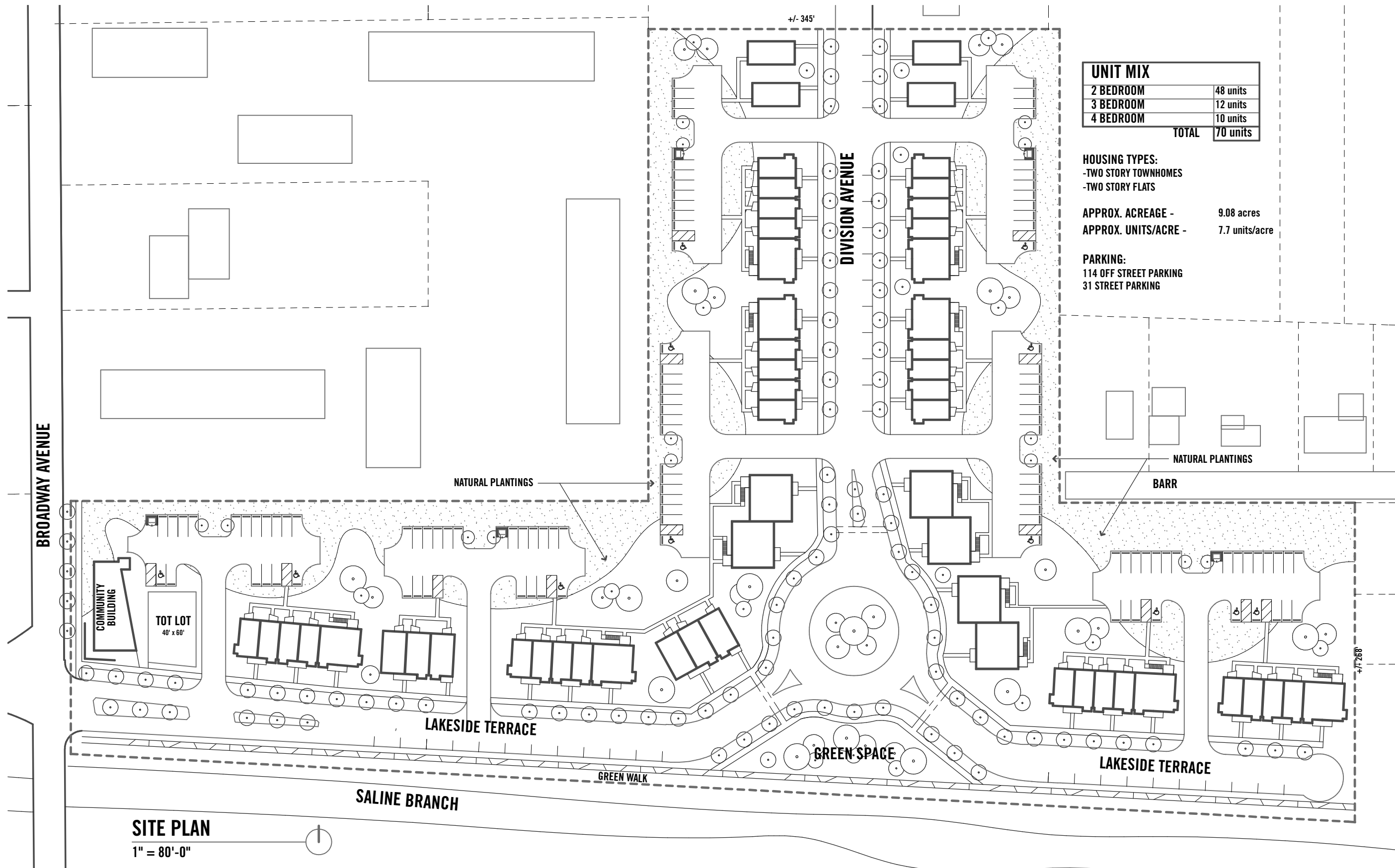
Over the past six years, the City has dedicated significant resources to the Lakeside Redevelopment Project as it represents an important opportunity to realize a significant amount of high-quality, affordable housing in Urbana by means of leveraging the City's CDBG/HOME funds.

The City has previously pledged financial support for this project at a level of \$200,000. In the FY 2006-2007 Annual Action Plan, the City allocated \$100,000 (\$50,000 CDBG and \$50,000 HOME and Local Match) to the project. The FY 2007-2008 Annual Action Plan allocated an additional \$100,000 (\$50,000 CDBG and \$50,000 HOME and Match) to the project. In addition, as noted above, the City Administration has agreed to waive building permit fees for the project, which is a

value equivalent to \$75,000. This waiver is consistent with an established policy which allows for a case by case reduction in permit fees for other governmental units, including the Housing Authority. The expected City, State and Housing Authority contributions to the project will help to leverage the provision of 65 units (93% of the project) of affordable units with a total project construction of approximately \$10,000,000.

Cc: Edward Bland, HACC
Rich Sciortino/Linda Fulkerson, Brinshore
Jim Rose, Homestead Corporation

Attachment:
Crystal View Townhomes Site Plan



UNIT MIX	
2 BEDROOM	48 units
3 BEDROOM	12 units
4 BEDROOM	10 units
TOTAL	70 units

HOUSING TYPES:
 -TWO STORY TOWNHOMES
 -TWO STORY FLATS

APPROX. ACREAGE - 9.08 acres
APPROX. UNITS/ACRE - 7.7 units/acre

PARKING:
 114 OFF STREET PARKING
 31 STREET PARKING

SITE PLAN
 1" = 80'-0"

LANDON BONE BAKER ARCHITECTS
 314 W INSTITUTE PLACE CHICAGO IL 60610
 312.988.9100 FAX 312.988.7146

project: **Crystal View Townhomes** 2425
Site Plan
 date: 11-06-06 - Progress scale: 1" = 80'-0"