

REDEVELOPMENT OF RIVERWALK HOMES



RIVERWALK HOMES

EXISTING CONDITIONS

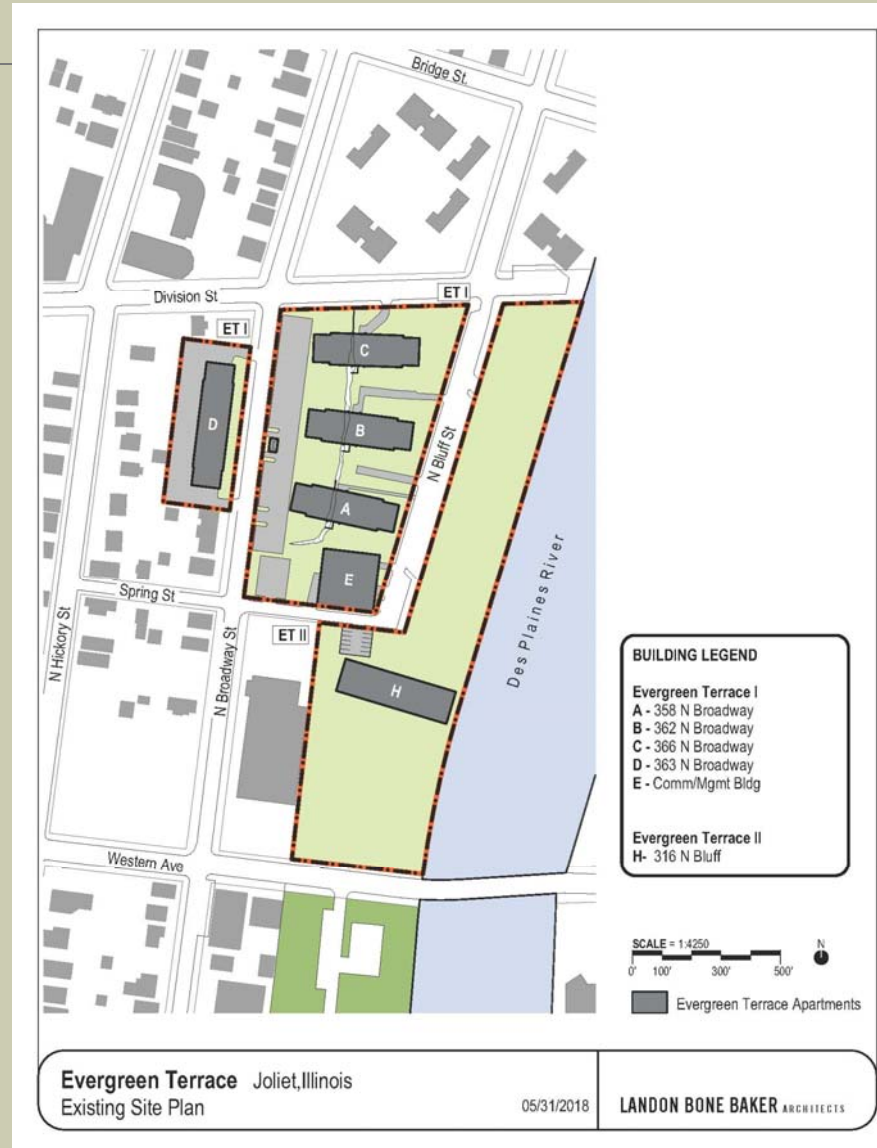
356 UNITS



RIVERWALK HOMES

SCENARIO 1

319 UNITS





RIVERWALK HOMES

SCENARIO 1

319 EXISTING UNITS

- ◎ **319 units operated as-is**
 - **100% Project Based Voucher units**
 - **Removal of Buildings F (27 units) and G (10 units)**
 - **Demolition (estimated at \$277,500) paid for by operations**
- ◎ **Combination of studio, 1, 2, and 3 bedroom units**
- ◎ **City purchase price (\$11,472,657) estimated to be paid back by 2034 through operations (17 years)**



RIVERWALK HOMES

SCENARIO 1

319 EXISTING UNITS

RIVERWALK HOMES

As-Is Operation (Scenario A)

Projected Paydown from Cashflow (without buildings F and G)

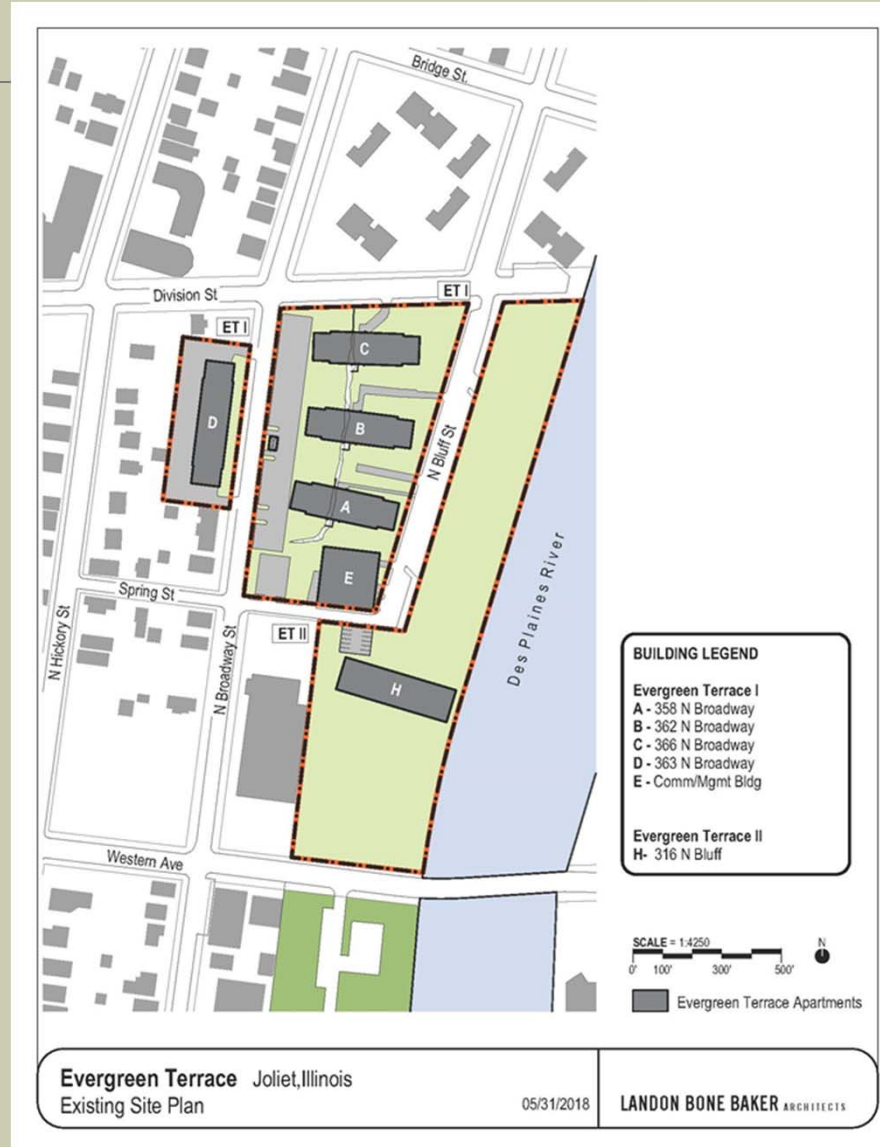
<i>Starting Loan Balance</i>		<u>Estimated Annual Cash</u>	
	<u>Year</u>	<u>Flow Payment from</u>	<u>Balance</u>
\$ 11,472,657		<u>Operations</u>	
	2018	\$ 716,854	\$ 10,755,803
	2019	\$ 716,854	\$ 10,038,949
	2020	\$ 716,854	\$ 9,322,095
	2021	\$ 716,854	\$ 8,605,241
	2022	\$ 716,854	\$ 7,888,387
	2023	\$ 716,854	\$ 7,171,533
	2024	\$ 716,854	\$ 6,454,679
	2025	\$ 716,854	\$ 5,737,826
	2026	\$ 716,854	\$ 5,020,972
	2027	\$ 716,854	\$ 4,304,118
	2028	\$ 716,854	\$ 3,587,264
	2029	\$ 716,854	\$ 2,870,410
	2030	\$ 716,854	\$ 2,153,556
	2031	\$ 716,854	\$ 1,436,702
	2032	\$ 716,854	\$ 719,848
	2033	\$ 716,854	\$ 2,994
	2034	\$ 2,994	\$ 0

Payback in 17 years

RIVERWALK HOMES

SCENARIO 2

319 UNITS





RIVERWALK HOMES

SCENARIO 2

319 EXISTING UNITS

- **319 units operated as-is**
 - **100% Project Based Voucher units**
 - **Removal of Buildings F (27 units) and G (10 units)**
 - **Demolition (estimated at \$277,500) paid for by operations**
- **Combination of studio, 1, 2, and 3 bedroom units**
- **City purchase price (\$11,472,657) and legal fees (approximately \$10 million) estimated to be paid back by 2047 through operations (30 years)**



EVERGREEN TERRACE

SCENARIO 2

319 EXISTING UNITS

RIVERWALK HOMES

As-Is Operation (Scenario B)

Projected Paydown from Cashflow (without buildings F and G)

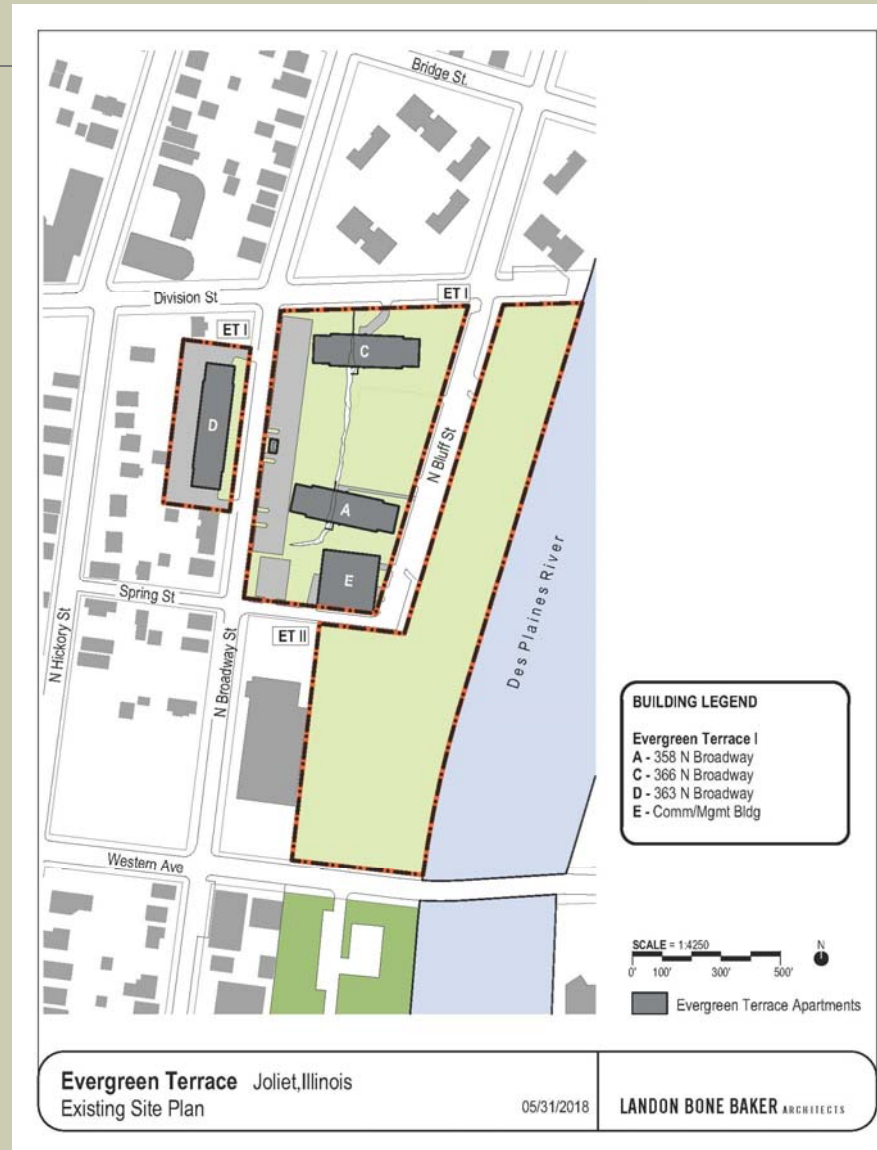
<i>Starting Loan Balance</i>			
\$	<u>Year</u>	<u>Estimated Annual Cash Flow Payment from Operations</u>	<u>Balance</u>
21,472,657			
(Note: Above loan balance includes \$10 million estimate of legal fees.)	2018	\$ 716,854	\$ 20,755,803
	2019	\$ 716,854	\$ 20,038,949
	2020	\$ 716,854	\$ 19,322,095
	2021	\$ 716,854	\$ 18,605,241
	2022	\$ 716,854	\$ 17,888,387
	2023	\$ 716,854	\$ 17,171,533
	2024	\$ 716,854	\$ 16,454,679
	2025	\$ 716,854	\$ 15,737,826
	2026	\$ 716,854	\$ 15,020,972
	2027	\$ 716,854	\$ 14,304,118
	2028	\$ 716,854	\$ 13,587,264
	2029	\$ 716,854	\$ 12,870,410
	2030	\$ 716,854	\$ 12,153,556
	2031	\$ 716,854	\$ 11,436,702
	2032	\$ 716,854	\$ 10,719,848
	2033	\$ 716,854	\$ 10,002,994
	2034	\$ 716,854	\$ 9,286,140
	2035	\$ 716,854	\$ 8,569,286
	2036	\$ 716,854	\$ 7,852,432
	2037	\$ 716,854	\$ 7,135,578
	2038	\$ 716,854	\$ 6,418,724
	2039	\$ 716,854	\$ 5,701,870
	2040	\$ 716,854	\$ 4,985,017
	2041	\$ 716,854	\$ 4,268,163
	2042	\$ 716,854	\$ 3,551,309
	2043	\$ 716,854	\$ 2,834,455
	2044	\$ 716,854	\$ 2,117,601
	2045	\$ 716,854	\$ 1,400,747
	2046	\$ 716,854	\$ 683,893
	2047	\$ 683,893	\$ -

Payback in 30 years

RIVERWALK HOMES

SCENARIO 3

177 UNITS





RIVERWALK HOMES

SCENARIO 3

177 EXISTING UNITS

- 177 units operated with current unit configurations
 - Two sub-phases of development
- Mod-rehab of all buildings retained
 - 100% Project Based Voucher units
 - Construction costs of \$75 PSF
- Combination of studio, 1, 2, and 3 bedroom units
- City purchase price (\$11,472,657) paid through operations and capital budget
- Purchase price estimated to be paid by 2024



RIVERWALK HOMES

SCENARIO 3, SUB-PHASE 1

106 UNITS – BUILDINGS C AND D

PHASE 1 Sources of Funds- 9 % LIHTC

	<u>Amortization</u>	<u>Interest Rate</u>	<u>Annual Payment Due</u>	<u>Principal Amount</u>
1 First Mortgage	30	6.50%	\$ 491,287	\$ 6,071,000
2 HOME Loan (IHDA)	40	AFR	cash flow	\$ 1,500,000
3 CDBG Funds	40	TBD	TBD	\$ -
4 LIHTC Equity	N/A	N/A	N/A	\$ 10,748,056
5 Acquisition Equity	N/A	N/A	N/A	\$ 870,613
6 GP Donation (LPA)	N/A	N/A	N/A	\$ 100
7 Deferred Developer Fee	N/A	N/A	N/A	\$ 337,500
8 GAP				\$ 400,801
<u>TOTAL SOURCES</u>				\$ 19,928,070

USES OF FUNDS

Acquisition	\$ 4,503,412
Construction	\$ 7,889,725
Demolition	\$ 671,250
Soft Costs	\$ 6,863,683
TOTAL USES	\$ 19,928,070
<i>Per Unit Cost</i>	<i>\$ 188,001</i>



RIVERWALK HOMES

SCENARIO 3, SUB-PHASE 2

71 UNITS – BUILDING A

PHASE 2 Sources of Funds- 9 % LIHTC

	<u>Amortization</u>	<u>Interest Rate</u>	<u>Annual Payment Due</u>	<u>Principal Amount</u>
1 First Mortgage	30	6.50%	\$ 229,431	\$ 2,835,000
2 HOME Loan	40	AFR	cash flow	\$ 1,500,000
3 CDBG Funds	40	TBD	TBD	\$ -
4 LIHTC Equity	N/A	N/A	N/A	\$ 7,223,072
5 Acquisition Equity	N/A	N/A	N/A	\$ 583,147
6 GP Donation (LPA)	N/A	N/A	N/A	\$ 100
7 Deferred Developer Fee	N/A	N/A	N/A	\$ 337,500
8 GAP				\$ 2,398,154
<u>TOTAL SOURCES</u>				\$ 14,876,973

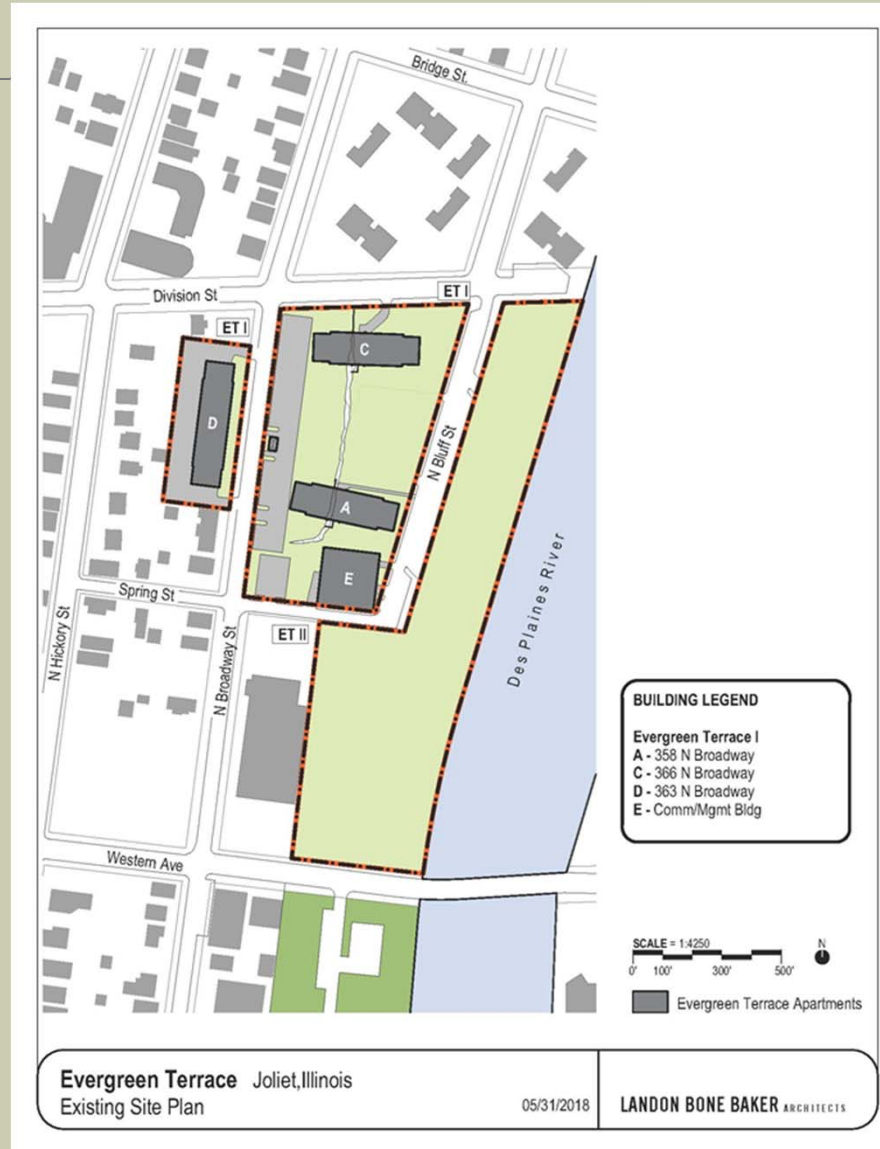
<u>USES OF FUNDS</u>	
Acquisition	\$ 3,016,436
Construction	\$ 4,817,932
Demolition	\$ 671,250
Soft Costs	\$ 6,371,354
TOTAL USES	\$ 14,876,973
<i>Per Unit Cost</i>	<i>\$ 209,535</i>

Total Project Cost (two subphases)	\$ 34,805,043
Total Funding Gap (two subphases)	\$ 2,798,955

RIVERWALK HOMES

SCENARIO 4

144 UNITS





RIVERWALK HOMES

SCENARIO 4

144 UNITS

- 144 units operated with revised configurations
 - Two sub-phases of development
- Complete/gut rehab of all buildings retained
 - 100% Project Based Voucher units
 - Construction costs of \$200 PSF
- Combination of studio, 1, 2, and 3 bedroom units
- City purchase price (\$11,472,657) paid through operations and capital budget
- Purchase price estimated to be paid by 2024



RIVERWALK HOMES

SCENARIO 4, SUB-PHASE 1

84 UNITS – BUILDINGS C AND D

PHASE 1 Sources of Funds- 9 % LIHTC

	<u>Amortization</u>	<u>Interest Rate</u>	<u>Annual Payment Due</u>	<u>Principal Amount</u>
1 First Mortgage	30	6.50%	\$ 304,444	\$ 3,762,000
2 HOME Loan	40	AFR	cash flow	\$ 1,500,000
3 CDBG Funds	40	TBD	TBD	\$ -
4 LIHTC Equity	N/A	N/A	N/A	\$ 13,798,620
5 Acquisition Equity	N/A	N/A	N/A	\$ 848,027
6 ComEd Grant	N/A	N/A	N/A	\$ 384,427
7 GP Donation (LPA)	N/A	N/A	N/A	\$ 100
8 Deferred Developer Fee	N/A	N/A	N/A	\$ 337,500
9 GAP				\$ 5,555,116
<u>TOTAL SOURCES</u>				\$ 26,185,790

<u>USES OF FUNDS</u>	
Acquisition	\$ 4,386,578
Construction	\$ 13,949,901
Demolition	\$ 671,250
Soft Costs	\$ 7,178,061
TOTAL USES	\$ 26,185,790
Per Unit Cost	\$ 311,736



RIVERWALK HOMES

SCENARIO 4, SUB-PHASE 2

60 UNITS – BUILDING A

PHASE 2 Sources of Funds- 9 % LIHTC

	<u>Amortization</u>	<u>Interest Rate</u>	<u>Annual Payment Due</u>	<u>Principal Amount</u>
1 First Mortgage	30	6.50%	\$ 151,994	\$ 1,878,000
2 HOME Loan	40	AFR	cash flow	\$ 1,500,000
3 CDBG Funds	40	TBD	TBD	\$ -
4 LIHTC Equity	N/A	N/A	N/A	\$ 13,798,620
5 Acquisition Equity	N/A	N/A	N/A	\$ 605,733
6 ComEd Grant	N/A	N/A	N/A	\$ 232,886
7 GP Donation (LPA)	N/A	N/A	N/A	\$ 100
8 Deferred Developer Fee	N/A	N/A	N/A	\$ 159,068
9 GAP				\$ 4,504,248
<u>TOTAL SOURCES</u>				\$ 22,678,656

<u>USES OF FUNDS</u>	
Acquisition	\$ 3,133,270
Construction	\$ 12,194,807
Demolition	\$ 671,250
Soft Costs	\$ 6,679,329
TOTAL USES	\$ 22,678,656
Per Unit Cost	\$ 377,978

Total Project Cost (two subphases)	\$ 48,864,445
Total Funding Gap (two subphases)	\$ 10,059,364

RIVERWALK HOMES SCENARIO 5 115 UNITS AND COMMUNITY CENTER

- *Note: Representative TH plan – not actual*





RIVERWALK HOMES

SCENARIO 5

115 UNITS

- 115 new construction, TH-style units
 - 100% Project Based Voucher units
- Combination of 2 (1200 SF) and 3 (1500 SF) bedroom units
- Construction costs at \$200 PSF
- City purchase price (\$11,472,657) paid through operations and capital budget
- One phase of redevelopment



RIVERWALK HOMES

SCENARIO 5

115 TH-STYLE UNITS

Sources of Funds- 4% LIHTC

	<u>Amortization</u>	<u>Interest Rate</u>	<u>Annual Payment Due</u>	<u>Principal Amount</u>
1 First Mortgage	30	6.50%	\$ 929,074	\$ 11,481,000
2 HOME Loan	40	AFR	cash flow	\$ 1,500,000
3 CDBG Funds	40	TBD	TBD	\$ -
4 LIHTC Equity	N/A	N/A	N/A	\$ 16,864,500
5 Acquisition Equity	N/A	N/A	N/A	\$ 1,962,735
6 ComEd Grant	N/A	N/A	N/A	\$ 704,700
7 GP Donation (LPA)	N/A	N/A	N/A	\$ 100
8 Deferred Developer Fee	N/A	N/A	N/A	\$ 1,628,946
9 GAP				\$ 24,220,632
<u>TOTAL SOURCES</u>				\$ 58,362,612

<u>USES OF FUNDS</u>	
Acquisition	\$ 9,238,949
Demolition	\$ 2,670,000
Construction	\$ 35,070,000
Soft Costs	\$ 11,383,663
TOTAL USES	\$ 58,362,612
Cost Per Unit	\$ 507,501



RIVERWALK HOMES

SUMMARY OF SCENARIOS

	<u>Total Number of Units</u>	<u>Total Project Costs</u>	<u>Funding Gap</u>	<u>Estimated City Payback</u> <u>Year</u>
SCENARIO 1 <i>Demolish buildings F and G. Operate remaining buildings as-is. Pay back City acquisition price of \$11,472,657 through operations.</i>	319	Capital repairs to be paid for by replacement reserve.	\$ -	2034
SCENARIO 2 <i>Demolish buildings F and G. Operate remaining buildings as-is. Pay back City acquisition price of \$11,472,657 and legal fees of \$10 million through operations.</i>	319	Capital repairs to be paid for by replacement reserve.	\$ -	2047
SCENARIO 3 <i>Mod-rehab of three buildings retained. Demolish remaining residential buildings. Redevelopment done in two sub-phases. Pay back City acquisition price of \$11,472,657 through operations and capital budget.</i>	177	\$ 34,805,043	\$ 2,798,955	2024
SCENARIO 4 <i>Complete/gut rehab of three buildings retained. Demolish remaining residential buildings. Redevelopment done in two sub-phases. Pay back of City acquisition price of \$11,472,657 through operations and capital budget.</i>	144	\$ 48,864,445	\$ 10,059,364	2024
SCENARIO 5 <i>Demolish all existing buildings. Construct 115 new TH-style units. Redevelopment done in one phase. Pay back City acquisition price of \$11,472,657 through operations and capital budget.</i>	115	\$ 58,362,612	\$ 24,220,632	2021

HOLSTEN HUMAN CAPITAL DEVELOPMENT, NFP

Executive Director: Jackie Taylor Holsten

Resident Service Coordinator: Elizabeth Protich



Strengthening Families Building Healthy Communities

VISION

At HHCD, our mission is to strengthen at-risk populations by expanding their access to viable resources that promote self-sufficiency, wellness and stability.

We accomplish this through comprehensive service provision, developing low-income and affordable housing, and cultivating partnerships to foster economic development.

HHCD SERVICES

- Individual & family needs assessments
 - Lease compliance & life skills workshops
 - Case management & external referrals
- Coordinate in-home support
- On-site health and wellness events
- Partnerships with local schools, hospitals and churches
 - Food pantry & community garden, dietary demonstrations and nutritional workshops
- Self-Sufficiency and Workforce preparation
 - Job readiness training and financial literacy
- Educational assessments and planning
- Adult & Youth programs
- Opportunities for civic and community engagement

COMMENT PERIOD

Please email comments to:

Riverwalkhomes@holstenchicago.com

on or before Monday, July 30th.

Please include your name and organization affiliation on all email correspondence. Thank you.

QUESTIONS AND ANSWERS

