Census Tract: **17031812900**

This substantial amendment would allow NSP2 funds to serve census tract 17031812900.

This amendment will have an immediate impact on the availability of affordable housing in the City of Oak Park. At this site 37 units are proposed.
Project Overview
The proposed project, TCB Oak Park I ("the Project"), is a $15.4 million, 37-unit mixed-income, mixed-use apartment building at 801 S. Oak Park Avenue, Oak Park, IL. The Project will provide high quality thoughtful affordable housing in a strategically located transit-oriented mixed-use development. The Project will be a signature development on a key community retail block and transit-oriented development gateway. TCB Oak Park I is located in an opportunity area designated by Illinois Housing Development Authority in 2015 and scores 25 out of 25 on the Opportunity Index in the Fair Housing and Equity Assessment. TCB Oak Park I significantly advances the implementation of Envision Oak Park Comprehensive Plan ("The Plan") by making transit-oriented housing more accessible to a mix of incomes. The Plan specifically identifies the site of TCB Oak Park I as a site that aligns with HUD goals to establish local policies that support development of accessible and affordable housing. The Project will provide low-income workers stable, quality, and conveniently located housing.

Factor 1: Need/Extent of the Problem

A) Target Geography
The Target Geography is made up of the one census tract noted above; the data provided below is derived from the 2013-2017 American Community Survey. The site of the proposed Project is currently the only vacant lot in the vicinity. The Project will offer affordable housing where it may otherwise be difficult to afford a home with convenient access to transportation. The area immediately surrounding the project site has been defined as an Opportunity Area, a community with low poverty, high access to jobs but with limited existing affordable rental housing. Between 2013 and 2017, there were 1,895 households in the target geography, of those, 475 (25%) households rented their home and 188 (40%) were cost burdened renters making less than $50,000 per year, and paying more than 30% of their income towards rent. Eighty percent (80%) of the cost burdened renters were under the age of 65.

Oak Park Village designated this vacant, transit-oriented parcel, a location for affordable housing and permitted zoning variances to maximize the number of units on the property.

a. Vacancy and Foreclosure
In a community where more than half of the housing stock is single family homes, 73% of the households own their home, and only 6.86% of the housing units are vacant, there is a significant need for high-quality affordable rental housing. TCB Oak Park I will give low-income workers stable, quality, conveniently located housing in a high opportunity area. It will help to anchor a vital mixed-use community retail block on S. Oak Park Ave., and it will help exemplify how affordable mixed-use transit-oriented development is a community asset.

b. Employment
Total employment in the Chicago MSA is currently estimated at 4,683,800 jobs. Between year-end 2006 and the present, employment rose by 110,700 jobs, equivalent to a 2.4% increase over the entire period. There were gains in employment in eight out of the past ten years despite the national economic downturn and slow recovery. The Chicago MSA's rate of employment growth over the last decade surpassed that of Illinois, which experienced an increase in employment of 0.9% or 53,600 jobs over this period. The proposed project is only one block from the Oak Park Ave Chicago Transit Authority (CTA) Blue Line station which connects to downtown Chicago and its job market in a 30-minute train ride.

B) Market Conditions and demand factors

a. Absorption
Our market study did not foresee any challenges with quick absorption of all units within the proposed property. The project proposes 37 units of mix-income rental apartments in a local market with an occupancy rate of greater than ninety-five percent. The Oak Park Housing Authority has waiting lists for its affordable properties, with most having their wait lists closed to new applicants. TCB will also establish a connection to The Oak Park Regional Housing Center, a
non-profit agency that helps residents moving to the area find housing. Therefore, we anticipate that the property will be at or near stabilized occupancy upon completion.

b. Income Characteristics
Median household income is $104,926, which is higher than the household income for the Chicago MSA. TCB Oak Park I will attract an economically diverse population by offering apartments to households who otherwise may find it difficult to afford a home in Oak Park with convenient access to transportation. The majority of the apartments will be positioned to support workers earning $8 to $17/hour, which is a portion of the workforce often excluded in workforce housing policy. By containing predominantly low- and moderate-income units, the Project would create increase the mix of incomes in the neighborhood.

c. Strategy for Stabilizing the Census Tract
A goal of the Project is to integrate multiple low-income levels to offset the elevated concentration of high incomes and high property values immediately surrounding the site. Forty percent (40%) of the households renting a unit in the census tract, and 38% of all Oak Park rental households are spending more than 30% of their household income on rent, which illustrates the lack of supply and unmet demand for low- and moderate-income units.

Factor 2: Demonstrated Capacity and Relevant Organizational Staff

A) Past Experience of the Applicant
No Change

B) Management Structure
No Change

Factor 3: Soundness of Approach

A) Proposed Activities
TCB proposes to develop TCB Oak Park I a 37-unit mixed-income, mixed-use apartment building at 801 S. Oak Park Avenue. The Project will provide high quality thoughtful affordable housing in a strategically located transit-oriented mixed-use development. The Project, located in an Opportunity Area, will be a signature development on a key community retail block in one of Oak Park’s strongest neighborhoods and TOD gateways. TCB Oak Park I is the only vacant parcel in the immediate vicinity and creating the mixed-income and mixed-use development will complete the neighborhood’s identity and act as a transition between the single family residential fabric to the north and the commercial block to the south.

B) Use of Funds
NSP2 program income will be used as a construction to permanent source for soft costs at TCB Oak Park I. The Project will be new construction on vacant land. NSP2 will fund 36 units, while the other space will be used for commercial purposes. An additional unit, not funded by NSP2, will be a market rate live/work unit.

C) Project Completion Schedule
TCB anticipates the project will close on financing in Q4 2019 and will complete lease up in Q3 2021.

D) Continued Affordability
The 36 units of new construction will be restricted to for 20 years. The unit mix consists of

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<td>30% AMI</td>
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E) Outreach Efforts
The proposal to construct the mixed income, mixed use development at 801 S. Oak Park Ave started from a concerted effort of collaboration at the local and state level. The Village of Oak Park and Oak Park Economic Development Corporation referred us to the Envision of Oak Park Comprehensive Plan. The Plan outlined goals of increasing TOD affordable housing and diversity within the Village. The Plan specifically identified the project site as a suitable location for this effort due to its proximity to a CTA train stop, high quality local amenities and access to resources and jobs. Additionally, to ensure long term affordability, the development team worked with the Chicago Metropolitan Agency for Planning to secure Project Based Vouchers through the Regional Housing Initiative. We were awarded 5 RHI vouchers with a 15-year commitment.

On the state level, the team applied to the Illinois Housing Development Authority for competitive 9% Low Income Housing Tax Credits. Awarded in March 2018, the tax credits also allow the building to remain affordable to low income residents for at least a 15-year compliance period. Within the proposal, 6 units are set aside for individuals with disabilities with a subsidy provided by IHDA through its Statewide Referral Network (SRN).

TCB plans to leverage and align the services of the Oak Park Regional Housing Center and TCB Community Life to support all residents, including SRN households, in workforce development, housing stabilization, educational opportunities, youth development and community engagement. The affirmative marketing plan, once developed, will ensure NSP2 assisted units will be available to qualified families. We anticipate providing a detailed listing of demographic information compiled from the site’s computer system and compared to the Affirmative Marketing Plan. Based on the results of the analysis, future marketing efforts will be adjusted to meet needs.

Factor 4: Leveraging other funds or removal of substantial negative effects

A) Leverage
TCB is currently proposing to invest $800,000 of NSP2 program income in this Project which will leverage an additional $14.6M.

B) Value of blight removal
The redevelopment of a vacant and blighted lot will benefit local property owners and promote stronger property values. Importantly, the development is estimated to generate $50,000 of property taxes in the first year of operation and will provide a strong and stable revenue stream to the Village of Oak Park which will help the Village continue to deliver quality public services to its residents and businesses. The project is expected to generate over $1.3 million in property tax revenue over the next 20 years.

Factor 5: Energy Efficiency Improvement and Sustainable Development Factor

A) Transit Accessibility
The demand for living near convenient public transit, like the Chicago Transit Authority CTA) Blue Line, means that housing near CTA stations is often higher than other housing. While TCB Oak Park I scores 4 out of 5 on Chicago Metropolitan Agency for Planning (CMAP) Access to Transit Index, the site is specifically identified in Oak Park’s comprehensive plan “Envision Oak Park” as a location for Transit-Oriented Development housing. Additionally, the project is located within .25 miles of multiple fixed route transit stops including the CTA Blue Line- Oak Park station, located 1 walkable block south of the site, and PACE bus 311, located 30 feet from the site. Both of these transit options allow convenient access to downtown Oak Park and the Chicago Loop and beyond.

B) Green Building Standards
The proposed development will have insulation that complies with the International Energy Conservation Code, have water conserving plumbing and a landscape plan including only native or regional plantings.

C) Re-Use of Cleared Sites
The existing site is currently vacant. The seller, Community Bank of Oak Park River Forest, has entered into a Purchase Option Agreement with TCB Oak Park LLC to be purchased by December 21, 2018. The project land consists of approximately 0.29 acre. The project site is currently a vacant lot with no structures. The land was historically a gasoline station from approximately 1925 until it was closed and demolished in 2012. The improvements at the site were a one-story building with two auto bays and an associated parking lot. The site is listed on the IL SPILLS, IL UST, IL LUST, RCRA CESQG, and EDR HIST AUTO databases as a closed site. All contaminants associated with the site have been fully eliminated on the project land. The Illinois EPA issued a “No further remediation” status on December 15, 2011. More recently, the project received a HUD approved Environmental Review in December 2018.

Factor 6: Neighborhood Transformation and Economic Opportunity

A) Describe connection to established comprehensive plan
TCB Oak Park I significantly advances the implementation of Envision Oak Park Comprehensive Plan (“The Plan”) by making transit-oriented housing more accessible to a mix of incomes. The proposed development primarily affects four chapters within the Plan: Chapter 4: Land Use & Built Environment; Chapter 7: Neighborhoods, Housing and Diversity; Chapter 12: Economic Health & Vitality; Chapter 13: Environmental Sustainability.

The Comprehensive Plan establishes goals and objectives which set the standards for development in the Village of Oak Park, and it discusses the idea of strengthening commercial districts in the Village as well as the symbiotic relationship between economic development and the overall quality of the community. Additional residential use supports and strengthens the community and commercial districts through patronizing of businesses and adding vibrancy to the corridor.

B) How will project increase the effectiveness of that plan
TCB Oak Park I is responsive to the Comprehensive Plan in four ways. First, the Project will provide context-sensitive infill development which will strengthen the urban fabric and create appropriate land use transition between the residential and commercial core.

Second, with the abundance of vintage housing in Oak Park, new housing that is affordable and accessible increases the opportunity for a more diverse population.

Third, TCB Oak Park I will introduce a newer economic mode of a live/work dwelling unit, only a few of which currently exist in the Village. This model not only allows an opportunity for commercial sales to the public, but also allows for an affordable residential use. The Project is also offering more traditional commercial space of approximately 1,000 square feet which will help support and stabilize the overall commercial climate along South Oak Park Avenue.

Fourth, the Project will meet sustainability requirements set by the Illinois Housing Development Authority, which are equivalent to the Green Globes Sustainability rating system.