

**ULI Chicago 7th Annual Vision Awards
June 13, 2018**



Project Finalist:
AURORA ST. CHARLES SENIOR LIVING (*Aurora, IL*)

Project Team:

Developer: Evergreen Real Estate Group
Architect: Weese Langley Weese, LTD

Project Description:

A “sleeping beauty” that lives again is how former Aurora Mayor Tom Weisner described Aurora St. Charles Senior Living upon its completion.

In 2016, Evergreen Real Estate Group -- a leader in the development, construction and management of both affordable and market-rate multifamily communities in 10 states -- completed renovations at the former St. Charles Hospital in downtown Aurora, transforming the historic Art Deco building into a 60-unit independent living facility for seniors. Designed by Wybe J. Van der Meer, the former hospital was completed in 1932, with additional renovations made to the interior of the structure in the decades that followed. Until the redevelopment, the building had been vacant since 2010, the year it was named to the National Register of Historic Places. Evergreen revitalized the deteriorating, long-vacant building that was once a cornerstone of the community, while preserving the local landmark and creating much-needed housing for area seniors. In addition, the former hospital's large chapel space was converted to a community room for residents and the broader community, and outside walking paths and a community garden are additional amenities.

The City of Aurora was excited about the opportunity to revitalize the long-vacant building that was once a cornerstone of the community, enabling Evergreen to efficiently work alongside city and state officials to preserve the local landmark while creating housing for area seniors.

Evergreen pioneered two major financing innovations in the development of Aurora St. Charles Senior Living: the use of the River Edge Redevelopment Zone (RERZ) credits together with LIHTC and Federal HTC in a single project for the first time, and it was the first project to employ IHDA's new Credit Advantage first mortgage program (a new first mortgage resource for 9% tax credit projects that offers below-market interest rates and extended terms and amortization periods). A number of other projects in other River Edge communities had successfully used the RERZ credit prior to this project, but never in combination with affordable housing and the LIHTC.

In addition, Evergreen collaborated with Invest Aurora, the Northern Lights Development Corporation, the City of Aurora, the Illinois Housing Development Authority (IHDA) and the Illinois Department of Commerce and Economic Opportunity, along with several private lenders and investors, to secure the complicated layers of financing and tax credits needed to fund the \$24 million rehabilitation.

Approximately \$3 million was obtained through the River Edge Redevelopment Zone program, which was created in 2006 to incentivize the revitalization of historic properties adjacent to rivers in five cities in Illinois (including Aurora) and was set to expire at the end of 2016. This meant that project financing needed to be completed in less than six months, and major and complex renovations needed to be finished less than a year after. The RERZ tax credits made what would otherwise have been a project that made very intensive use of IHDA resources a much more reasonable proposition for the state housing finance authority.

Although the state ultimately provided an extension to the program, Evergreen worked hard throughout 2016 to complete the adaptive reuse project in December 2016, successfully restoring the historic Art Deco building and transforming it into a vibrant residential community with all the amenities and services today's seniors desire in a home.

The balance of the project's development cost was covered by a combination of federal historic tax credits, low-income housing tax credits allocated by IHDA and private financing.

Mayor Tom Weisner assigned his assistant chief of staff, Rick Guzman, as the project's city hall liaison, ensuring project coordination and support from all departments at the City of Aurora. Additionally, the project received huge community support not just in terms of financing, but in terms of local political support from its two non-profit partners - Invest Aurora (formerly known as Seize the Future Foundation), the city's economic development non-profit, and Northern Lights Development Corporation, affiliated with the Aurora Housing Authority. Both non-profits were integral to the project's mission of furthering the revitalization of Aurora's east side.

Additionally, through Evergreen's commitments under the Federal Home Loan Bank Affordable Housing Program, the Aurora St. Charles Senior Living project executed Memoranda of Understanding with local providers of adult education, tax benefits assistance, and financial literacy services that are available to residents of the building. The project also incorporates 10% of the units set aside for the Illinois State Referral Network (SRN) program, which includes residents with physical and mental disabilities who bring state-assisted funding for their services as part of their participation in the SRN.