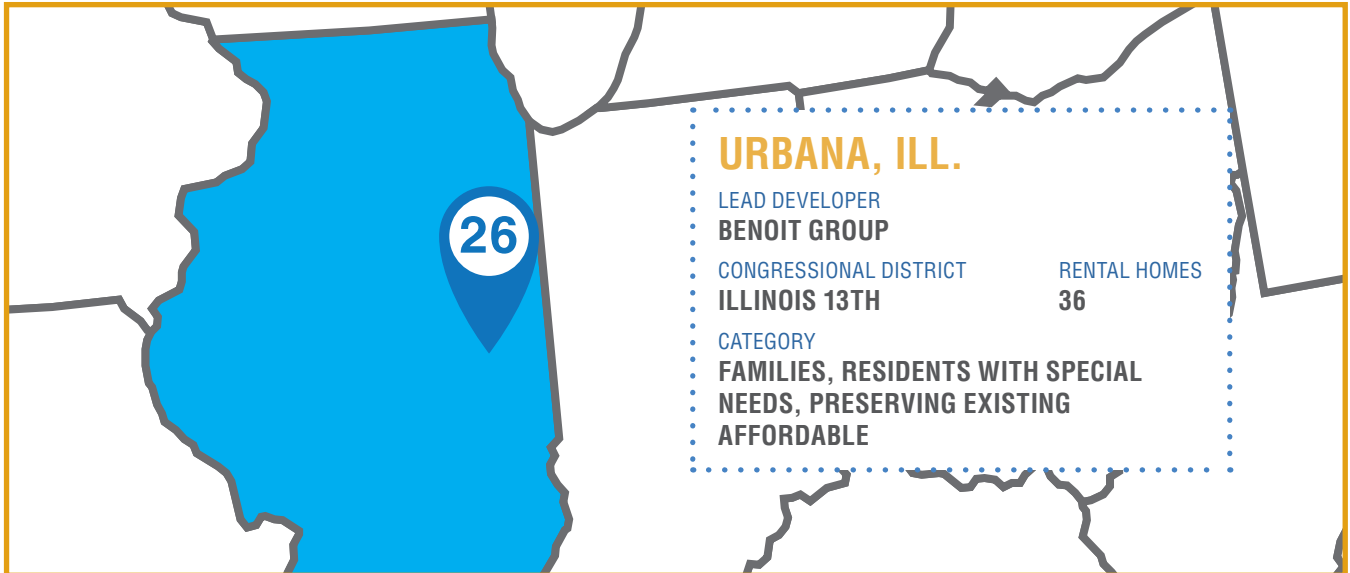


# LIHTCs Lead to Change of Housing to Newer, Better Replacement



Photos: Courtesy of The Benoit Group

# LIHTCs Lead to Change of Housing to Newer, Better Replacement

Residents in need of affordable housing in Urbana, Ill., saw addition by subtraction when developers tore down an existing development. That’s because they replaced the old property with 36 improved rental homes, financed by low-income housing tax credits (LIHTCs).

The Benoit Group and the Housing Authority of Champaign County, co-general partners in the development of Hamilton on the Park, knew they were doing the right thing. “We had to demolish the old building completely and build a new one in order to be competitive with the private market,” said Housing Authority of Champaign County executive director Edward Bland.

That’s what they did, creating a complex that opened in late 2013 and has four one-bedroom apartments, 12 two-bedroom rental homes and 20 three-bedroom rental homes spread over six residential buildings. Apartments range from 875 square feet to 1,450 square feet and the development features a clubhouse with a computer center and community room, an on-site management office, a kitchen, and 40 parking spots. There is also a playground and picnic area, with an underground

stormwater retention system.

All 36 rental homes receive project-based rental assistance and five are compliant with Americans with Disabilities Act provisions. Residents must earn between 30 and 60 percent of the area median income (AMI) and Hamilton on the Park has four supportive housing rental homes.

Construction took 11 months, with each apartment featuring its own washer and dryer, central heating and air-conditioning, and a mix of carpeting and tile flooring. The rental homes have 9-foot ceilings with ceiling fans in the living rooms.

But the benefit of the

development wasn’t limited to residents. “In addition to replacing an aging public housing development with new quality affordable housing, construction on Hamilton on the Park created an estimated 68 good-paying jobs to help advance the economy in the Urbana area,” said Rebecca Boykin, communications manager at Illinois Housing Development Authority (IHDA), which allocated the LIHTCs.

Equity from the LIHTCs was crucial, funding more than 90 percent of the construction costs. “The housing credit is our best tool for leveraging private capital to make developments like this possible,” said Boykin. “Quality housing like this is not only transformative for the residents who live there, but for our communities. Housing is an economic engine that generates jobs and local revenue.”

With six buildings, Hamilton on the Park was able to lease up each building as it was completed. By the time 11 months was up, the aging complex was no more. In its place was the improved Hamilton on the Park. ❖

**LEAD DEVELOPER**  
**BENOIT GROUP**

**CATEGORY**  
**FAMILIES, RESIDENTS WITH SPECIAL NEEDS, PRESERVING EXISTING AFFORDABLE**

**FINANCING**

- Approximately \$6 million in federal LIHTC equity from a multi-investor fund syndicated by R4 Capital
- \$3.6 million in construction financing provided by JPMorgan Chase
- \$725,000 soft loan from the Housing Authority of Champaign County
- \$500,000 permanent loan from IFF

**CONGRESSIONAL DISTRICT**  
**ILLINOIS 13TH**

**RENTAL HOMES**  
**36**