



Post Office Box 299  
Peru, Illinois 61354-0299

January 30, 2020

Mayor Scott J. Harl,  
Peru City Clerk, and  
Aldermen of the City of Peru

RE: Petition of MVAH Holding LLC  
North Peoria Street and North of Midtown Road, Peru, IL

Gentlemen:

Pursuant to legal notice published in the News Tribune in the manner provided by law, the Planning/Zoning Commission of the City of Peru convened for a public hearing on Wednesday, January 29, 2020, at 5:15 p.m. in the City Municipal Building, 1901 Fourth Street, Peru, IL, to consider the Petition of MVAH Holding LLC (hereinafter "Petitioner") concerning property located east of North Peoria Street and north of Midtown Road, Peru, IL, legally described as follows:

THAT PART OF LOT 2 IN MIDWAY COMMERCIAL SIXTH SUBDIVISION, BEING A SUBDIVISION OF PART OF THE EAST HALF OF THE NORTHEAST QUARTER, SECTION 8, TOWNSHIP 33 NORTH, RANGE 1 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 11, 2018 AS DOCUMENT 2008-18155, IN LASALLE COUNTY, ILLINOIS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 2, THENCE NORTH 88 DEGREES, 41 MINUTES, 45 SECONDS EAST ALONG THE SOUTH LINE OF SAID LOT 2, A DISTANCE OF 10.00 FEET TO THE EAST RIGHT- OF-WAY LINE PEORIA STREET AS CONVEYED BY A WARRANTY DEED RECORDED AS DOCUMENT 2019- 12017 AND THE POINT OF BEGINNING; THENCE NORTH 00 DEGREES 09 MINUTES 27 SECONDS WEST, ALONG SAID EAST LINE, A DISTANCE OF 131.41 FEET; THENCE NORTH 04 DEGREES 00 MINUTES 12 SECONDS EAST, CONTINUING ALONG SAID EAST LINE, A DISTANCE OF 68.87 FEET TO A PERIMETER LINE OF SAID LOT 2; THENCE NORTH 88 DEGREES 41 MINUTES 45 SECONDS EAST, ALONG SAID LINE, A DISTANCE OF 193.99 FEET TO A BEND IN SAID LINE; THENCE NORTH 00 DEGREES 09 MINUTES 27 SECONDS WEST, CONTINUING ALONG SAID PERIMETER LINE, A DISTANCE OF 313.00 FEET; THENCE SOUTH 88 DEGREES 41 MINUTES 45 SECONDS WEST, CONTINUING ALONG SAID PERIMETER LINE, A DISTANCE OF 208.99 FEET TO THE WEST LINE OF SAID LOT 2, SAID LINE ALSO BEING THE EAST RIGHT-OF-

WAY LINE OF PEORIA STREET AS DEDICATED BY DOCUMENT R96-15749; THENCE NORTH 00 DEGREES 09 MINUTES 27 SECONDS WEST, ALONG SAID LINE, A DISTANCE OF 118.61 FEET TO THE EAST RIGHT-OF-WAY LINE OF PEORIA STREET AS CONVEYED BY A WARRANTY DEED RECORDED AS DOCUMENT 2019-12017; THENCE NORTH 02 DEGREES 42 MINUTES 18 SECONDS EAST, ALONG SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 2.67 FEET; THENCE NORTH 88 DEGREES 41 MINUTES 45 SECONDS EAST, A DISTANCE OF 449.86 FEET TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 1 IN SAID MIDWAY COMMERCIAL SIXTH SUBDIVISION; THENCE SOUTH 00 DEGREES 09 MINUTES 27 SECONDS EAST, ALONG SAID NORTHERLY EXTENSION AND ALONG THE WEST LINE OF SAID LOT 1, A DISTANCE OF 634.27 FEET TO THE SOUTH LINE OF SAID LOT 2; THENCE SOUTH 88 DEGREES 41 MINUTES 45 SECONDS WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 439.99 FEET TO THE POINT OF BEGINNING.

CONTAINING 217,788 SQUARE FEET (4.9997 ACRES), MORE OR LESS. (Part of PIN # 17-08-204-001) (hereinafter, the "Property")

The Petitioner desires to construct a 61-unit apartment building and prays for a special use under Section 11.05(d)(24) of the Zoning Ordinance to allow for multiple-family residential dwellings. The Property is located in a B-4 Highway Business District.

Planning/Zoning Commission Members Miller, Grabowski, Atkinson, Lucas, Kalsto, Brady, and Moreno were present at the hearing. No members were absent.

Hume An and Wyllys Mann appeared on behalf of Petitioner and were duly sworn. Hume An proceeded to give a Powerpoint presentation. A copy of the presentation slides are attached hereto as "Exhibit A". Mr. An testified that Petitioner has been constructing multi-family residential developments for twenty-five years. They have built 6,000 units in 16 states. In Illinois, they have completed developments in the City of Morton and Village of Rantoul. Petitioner also has a development under construction in Chicago and, soon, Bloomington.

Mr. An displayed photographs of Petitioner's residential communities, which incorporate fiber cement board and masonry materials in their design. Petitioner is looking at a 5-acre parcel west of HyVee for the proposed 61-unit development. The site plan provides for 122 parking spaces, meeting the City's two spaces per unit requirement, an outdoor playground, two means of egress, and an area for surface water detention to be finalized later. The development would be three stories in height, feature an elevator, and offer Twelve (12) 1 bedroom/1 bathroom units, Fourteen (14) 2 bedroom/2 bathroom units, and Thirty-Five (35) 3 bedroom/2 bathroom units. The bottom exterior of building would be red brick and the top Hardie plank with Anderson windows throughout.

Mr. An testified further that the residential units would be income restricted to applicants with a household of four income of \$45,000.00 or less. Based on 2017 figures, the average household income in the City of Peru is \$46,284.00. Mr. An explained that Petitioner found the City has an older stock of multi-family housing and none of them offer an elevator. This development provides benefits to the community by meeting the demand for quality, multi-family housing and will create fifty temporary construction jobs and two permanent jobs for an on-site manager and building technician. It will also generate annual property taxes of \$70,000.00 - \$80,000.00.

Mr. An stated that Petitioner intends to hold on to the Property and manage the development for thirty years. The part-time property manager and part-time service technician will stagger hours so someone

will be present five days a week. The technician will be on-call for emergencies 24/7. The community will incorporate security cameras and utilize key fobs for entry.

For a 723 sq.ft. one-bedroom unit, a household of two must make less than \$18,000 and Petitioner seeks rent of \$450-\$500/month. For a 978 sq. ft. two-bedroom unit, a household of three must make less than \$20,250 and Petitioner seeks rent of \$500-\$550/month. For a 1,235 sq.ft. three-bedroom unit, a household of four must make less than \$45,000 and Petitioner seeks rent of \$700-\$800/month. Applicants must have a landlord reference and pass a credit and criminal background check. Leases are for a one-year term and strictly enforced. Residents must also undergo an annual third-party income certification to maintain eligibility.

Mr. An explained that the proposed development is reliant on funding from the Illinois Housing Development Authority. Petitioner is required to submit its funding application to IHDA in March 2020 and would expect to hear if funding is awarded in June. A 12-14 month construction period would commence in February 2021, weather permitting.

Chairman Miller noted that, historically, the area of the Property and everything to the North has been commercial or retail development. Moreover, recent proposals for the Property have been for commercial or retail uses. In response to questioning from Chairman Miller as to why Petitioner chose that location, Mr. An stated the Property was close to great amenities like HyVee. Petitioner also wanted separation from single-family homes. In response to further questioning from Chairman Miller regarding the possibility of incorporating mixed-use retail/commercial into the development, Mr. An responded that the proposed location of the development is behind the Water Store and does not have street frontage suitable for mixed-use. Instead, the proposed development would preserve the surrounding frontage for other developments.

In response to questioning from Member Moreno concerning school districts, Mr. Mann stated that he believed children living in the development would attend Northview or the Catholic elementary schools and LaSalle-Peru High School. Engineer Carls stated that the development is actually in Dimmick Grade School District. Member Moreno then noted his concern regarding Dimmick Grade School being capable of handling the large influx of new students.

In response to questioning from Chairman Miller, Mr. An testified that Petitioner intends to market the three-bedroom units to working families. Like their other developments, Petitioner intends to attract seniors for the one and two-bedroom units, but Petitioner won't be able to age-restrict them. In response to further questioning from Member Brady, Mr. An said there would be 35 three-bedroom units.

Engineer Carls noted that the City had recently received proposals for other multi-family developments and inquired if Petitioner was seeking the same tax credits as those developers. Mr. An replied yes and stated it was likely only one development in the area would be awarded funding. In response to further questioning from Member Grabowski, Mr. An said that if Petitioner was denied funding, it would try again the next year. If denied a second time, the project would be dead.

Ryan Linnig, Superintendent of Dimmick Consolidated School District #175, was in attendance and voiced his objection to the Petition. Mr. Linnig stated that he did not believe the development was consistent with the City's legislative intent for a B-4 Zoning District, which considers commercial and business uses. Mr. Linnig noted that multi-family residential was not allowed use, but a special use. Moreover, the Zoning Ordinance describes a special use as one that "may be necessary or desirable to allow in a given district" and the proposed 61-unit development did not fit that description. Mr. Linnig then provided the P/Z Commission with a two-page handout, a copy of which is attached hereto as "Exhibit B".

Referencing the handout, Mr. Linnig stated the vast majority of the City's commercial and retail businesses are in the Dimmick School District and those businesses would bear the burden created by this development. The development has the potential to add 40-60 additional students to the school district, a 25%-35% increase in enrollment. The school district would be required add staff, including 9 teachers. This would increase staffing and operating costs by \$700,000 per year, potentially resulting in a 30% increase in the school district's property taxes. Classrooms and other school facilities would need to be modified or added at an estimated cost of \$1,500,000+. Mr. Linnig stated further that the school district has historically kept their tax assessment low. The proposed development would force the district to hold a referendum to increase their tax rate by 30%, creating a negative effect on retail and commercial development in north Peru.

In response to questioning from Member Moreno, Mr. Linnig said Dimmick School District currently has 164 students. The school district did have a construction project in 2011, but that wasn't an addition insomuch as an improvement in quality of education with upgraded art and STEM sharing classrooms. In response to further questioning from Chairman Miller, Mr. Linnig agreed that new residential development will eventually occur within the school district with the future Midtown Road extension and construction of a new police station. However, this development will occur slower and provide the district with more time to adapt as single-family homes are built. Mr. Linnig requested the Planning/Zoning Commission deny Petitioner's request.

Frank Jasiek also objected to the Petition, stating the development did not make sense. Mr. Jasiek explained the proposed location is in the middle of a long-established commercial area with banks and restaurants. There are no parks nearby for children to play safely. Mr. Jasiek also requested that the P/Z Commission deny the Petition.

Alderman Aaron Buffo was present and stated that he had talked to many residents in his ward and they share Mr. Jasiek's sentiment. Alderman Buffo said he agreed with their concerns and does not believe the proposed location is the right spot for residential development.

No other objectors voiced concerns.

Chairman Miller moved, and Member Moreno seconded, that P/Z Commission recommend the Petition as prayed for be denied by the City Council. The motion passed unanimously, 7 aye, 0 nay, and 0 Members absent.

Respectfully submitted,

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CARY MILLER, Chairman of the  
Planning/Zoning Commission



# Peoria Street Lofts Peoria Street Peru, IL

Hume An, Senior Vice President

Phone: 312-286-8128

E-mail: [hume.an@mvaahpartners.com](mailto:hume.an@mvaahpartners.com)







- Building homes to allow people to live where they work.
- Developed multifamily for over 25 years.
- Created over 6,000 units in 16 states.
- Winner of numerous national awards in design, development and property management.

## Empower People Enhance Communities





Examples of Our Residential Communities







Examples of Our Residential Communities





# Peoria Street Lofts Overview



Total Number of Units: 61

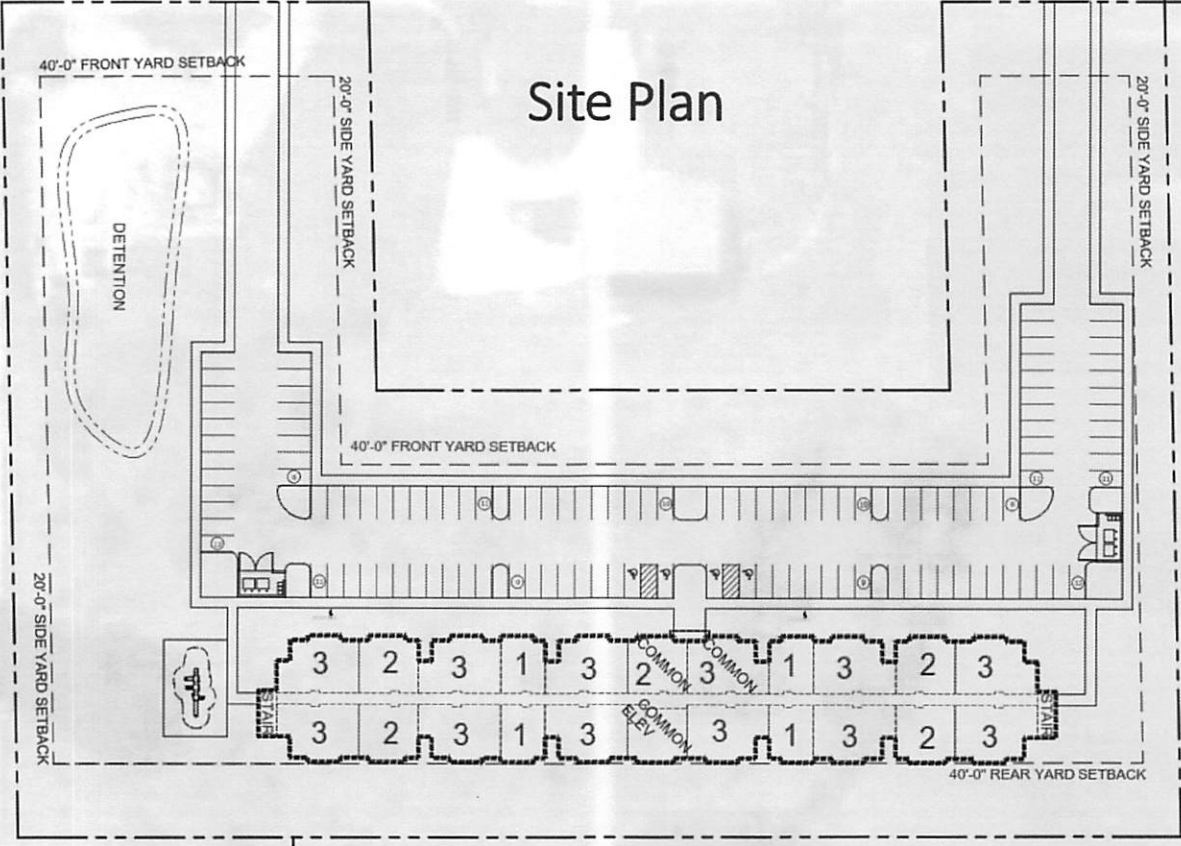


Construction type: Brand new, modern housing stock - three-story elevator building



Targeted tenants: Working families and seniors

# Site Plan



# Building Information



## PROPOSED UNIT MIX:

1 BEDROOM / 1 BATH - 12 UNITS (1 ADA / 1 S&H)  
2 BEDROOM / 2 BATH - 14 UNITS (1 ADA / 1 S&H)  
3 BEDROOM / 2 BATH - 35 UNITS (2 ADA / 1 S&H)  
TOTAL - 61 UNITS

## BUILDING BREAK-DOWN:

3-STORY ELEVATOR

## SITE INFO:

### PARKING -

- PROVIDED 122 (4 HC)

### AREA

- 5 ACRES FOR DEVELOPMENT



## side elevation

1/32" = 1'-0"

Peoria Street Lofts



# Building Elevations



rear elevation

1/32" = 1'-0"



front elevation

1/32" = 1'-0"

Peoria Street Lofts



## Workers in Peru Eligible for Peoria St. Lofts

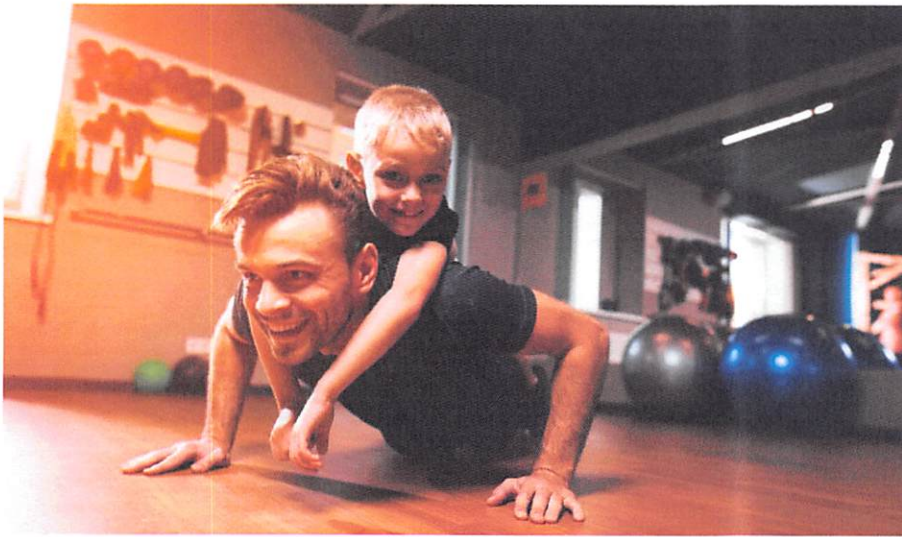
- A household of four with an income of \$45,000 is eligible to live in Peoria St. Lofts - Average Household Income in Peru is \$46,284.
- Office & Administrative Support (667 workers):
  - Administrative Assistant: \$27,040
  - Electronic Resources Librarian: \$39,848 (entry level)
- Production (434 workers):
  - Machine Operator/Forklift Operator: \$35,173
  - Warehouse Worker: \$26,146
- Others:
  - English Teacher: \$41,745
  - Home Health Worker: \$39,000

## Community Benefits

- Meeting the demand for quality, multi-family housing
- Jobs – ~50 construction jobs and 2 permanent jobs
- Property taxes







## Community Amenities

- Community room
- Business center
- Fitness center
- Property management offices

# Property Management



MVAH will own and manage the development for the **long-term**. We currently hold and manage the vast majority of our properties.



On-site staff will include 1 part-time property manager and 1 part-time service technicians who will be present five days a week.



Technician will be on-call for emergencies 24/7.



Security features will include electronic **key fobs**, **security cameras**, and **on-site staff**.

# Eligibility Requirements



## Income Qualification (as determined by federal law)

- **For 12 one-bedroom units**, a household of two must make less than \$18,000.
- **For 6 two-bedroom units**, a household of three must make less than \$20,250
- **For 8 two-bedroom units**, a household of three must make less than \$40,500.
- **For 35 three-bedroom units**, a household of four must make less than \$45,000

## Other Requirements

- Credit check and criminal background check.
- Landlord reference.
- Annual recertification of income and assets.

## Lease

- Every household will sign a one-year lease.
- The lease will be strictly enforced.



## Tentative Rent Schedule



Bedrooms	# of Units	Unit Sizes	Proposed Rents
1BR	12	723 sf	\$450-500
2BR	14	978 sf	\$500-550
3 BR	35	1,235 sf	\$700-800
TOTAL	61		

Peoria Street Lofts



Together we can make  
Peoria Street Lofts  
a reality

### Key Milestones

MVAH to submit funding application to the IL Housing Development Authority	March 2020
Funding awarded	June 2020
Design Development	July 2020– November 2020
Permit application submission	November 2020
Close on financing	January 2021
Begin construction	February 2021 (weather permitting)
Construction period	12-14 months

## Questions



- Please contact Hume An, Senior Vice President at MVAH Partners, LLC
- Email: [hume.an@mvapartners.com](mailto:hume.an@mvapartners.com)
- Phone: 312-286-8128

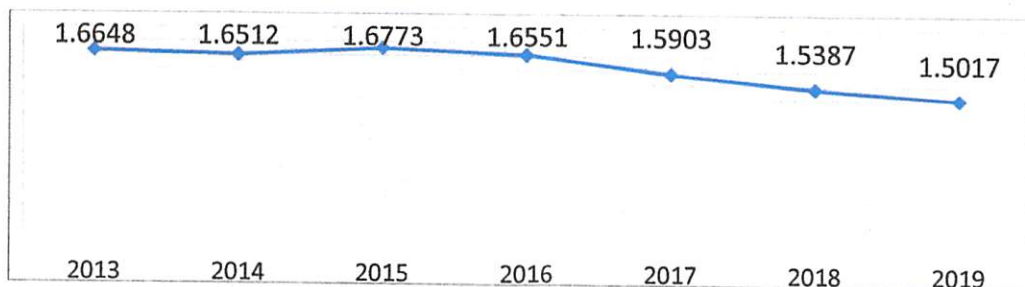
Peoria Street Lofts



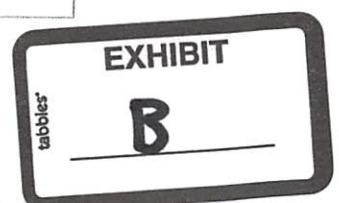
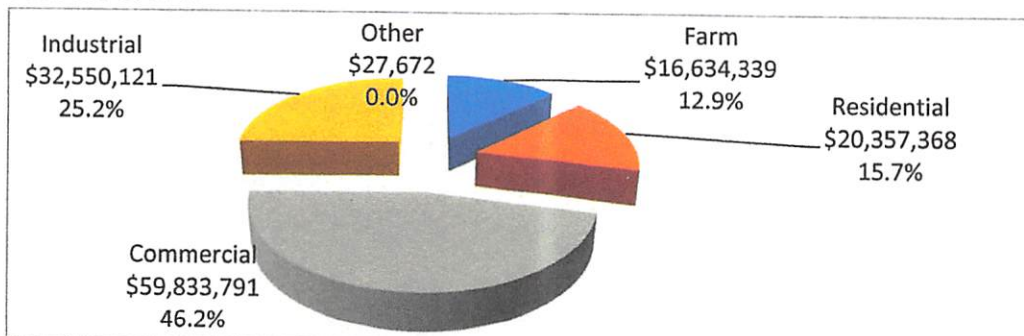
Re: Peru Zoning and Planning Commission Hearing for the Request for a Special Uses Permit for the Construction of a 61-Unit Affordable Housing Development.

1. Zoning map (please see attached)
2. Estimated enrollment increase could range between 40 and 60 students, which represents a 25-35% increase.
3. Needs for addressing such enrollment increases:
  - a. Projected Staffing and Operating Costs \$700,000+ (*Potentially resulting a 30% increase in property taxes*)
    1. Adding additional Teaching Staff K-8 plus Special Education and Response to Intervention.
    2. Adding additional Support Staff such as Paraprofessionals and Maintenance.
    3. Adding an additional bus route.
    4. Additional normal operating expenses associated with increased enrollment.
  - b. Projected Facilities Costs \$1,500,000+ (*Potential impact would need to be calculated based on reserves available and amount in bonds needing to be issued*)
    1. Facilities expansion including potentially 4-6 additional classrooms, additional restrooms, expanding the cafeteria, adding an additional boiler and possibly replacing the existing septic system. (Potentially in excess of \$1.5 million)

#### 4. Dimmick Tax Rate



#### 5. Sources of EAV





CITY OF PERU

# ZONING MAP

- |   |  |   |   |   |   |
|---|--|---|---|---|---|
| <p><b>RESIDENTIAL</b></p> <ul style="list-style-type: none"> <li>R-1 SINGLE-FAMILY DISTRICT</li> <li>R-2 SINGLE-FAMILY DISTRICT</li> <li>R-3 SINGLE AND TWO-FAMILY DISTRICT</li> <li>R-4 GENERAL RESIDENCE DISTRICT</li> <li>(MULTI-FAMILY) DISTRICT</li> </ul> | <p><b>COMMERCIAL</b></p> <ul style="list-style-type: none"> <li>B-1 NEIGHBORHOOD SHOPPING DISTRICT</li> <li>B-2 COMMUNITY SHOPPING DISTRICT</li> <li>B-3 CENTRAL SHOPPING DISTRICT</li> <li>B-4 HIGHWAY BUSINESS DISTRICT</li> <li>B-5 OFFICE BUSINESS DISTRICT</li> </ul> | <p><b>INDUSTRIAL</b></p> <ul style="list-style-type: none"> <li>M-1 LIGHT MANUFACTURING DISTRICT</li> <li>M-2 HEAVY MANUFACTURING DISTRICT</li> </ul> | <p><b>AGRICULTURE</b></p> <ul style="list-style-type: none"> <li>A-1 AGRICULTURAL DISTRICT</li> </ul> | <p><b>PLANNED DEVELOPMENT</b></p> <ul style="list-style-type: none"> <li>PD PLANNED DEVELOPMENT DISTRICT</li> <li>SINGLE-FAMILY PLANNED DEVELOPMENT</li> <li>DUPLEX</li> <li>DUPLEX &amp; THREE-FLEX PLANNED DEVELOPMENT</li> </ul> | <p><b>NOT WITHIN CORPORATE LIMITS</b></p> |
|---|--|---|---|---|---|

## LEGEND

\* LOT 11 IN BLOCK 41 ZONED B-4 SUBJECT TO RESTRICTIONS CONTAINED IN ORDINANCE NO. 3318.  
 \*\* 2 LOTS ON EITHER SIDE OF STREET

