

Mike Mertens

From: Ivan Baker
Sent: Monday, February 01, 2016 12:28 PM
To: Mike Mertens
Subject: Demand and Market

What local workers could qualify for this housing?

This workforce housing meets the demand of Many Employees in Tinley Park:

- Actually - 23 percent of the Non-Senior Households in Tinley Park area meet the income standards. (from study)
- 34 percent of the employees at KVH industries could meet the income standards
- 96 percent of the employees at Kohls could meet the income standards
- 80 percent of the employees at Ed and Joes could meet the income standards
- 90 percent of the employees at Walt's Grocery Store could meet the income standards
- 70 percent of the employees at Menards could meet the income standards
- 2 percent of the employees at Panduit could meet the income standards

Why decide on Tinley Park?

Market and demand, as proven by Valerie Kretchmer study.

More Workforce housing for the many employees who work in the area.

Developers determine location based on what scores best with the state...."opportunity areas" with less affordable housing = higher scores

Linking long-term - quality project benefits by being in a city known as a good investment

Federal Law says that rents and incomes on the property have to remain restricted for 15 years.

Ivan Baker, CEcD, AICP, FM

Director of Economic Development

Tinley Park, Illinois "Chicago's Great Southwest"

First and Only Accredited Economic Development Organization in Illinois



"America's Best Place to Raise a Family" - Bloomberg Business Week

"National Winner for Economic Development Excellence" - U.S. Department of Commerce

"Top 10 Best Small Cities in the Nation" - Movato

"Top 10 Suburb of Chicago" - Chicago Magazine

"Top 10 Best Chicago Suburb for Young Professionals" - Movato

"Top 10 Best Places to Get Ahead" - Will County - Forbes

"One of the Hottest Residential Markets in Metro Chicago" - Chicago Tribune

Tinley Park Village Hall

SCHOOL	TOTAL ENROLLMENT	PERCENT OF ENROLLMENT FREE LUNCH	PERCENT OF ENROLLMENT REDUCED LUNCH
MEMORIAL	356	32% (113 students)	5% (17 students)
FULTON	655	32% (209 students)	5% (32 students)
CENTRAL MIDDLE	774	33% (245 students)	5% (38 students)

**ENTRY AND MEDIAN WAGES FOR SELECTED OCCUPATIONS
IN THE CHICAGO METROPOLITAN AREA, 2013**

Occupation	Entry Wage	Median Wage
Health and Counseling		
Rehabilitation Counselors	\$24,268	\$33,251
Mental Health and Substance Abuse Social Workers	25,312	35,061
Social and Human Service Assistants	20,445	27,457
Community Health Workers	24,269	35,156
Dietetic Technicians	18,160	22,371
Pharmacy Technicians	19,815	27,677
Opticians, Dispensing	23,332	32,254
Healthcare Support Occupations	20,329	25,495
Home Health Aides	19,302	21,975
Nursing Assistants	20,427	24,997
Occupational Therapy Aides	18,151	19,158
Dental Assistants	24,138	35,008
Medical Assistants	24,491	30,640
Pharmacy Aides	18,679	22,237
Education and Childcare		
Preschool Teachers, Except Special Education	\$20,639	\$25,769
Self-Enrichment Education Teachers	19,333	33,906
Substitute Teachers	24,189	28,634
Library Technicians	23,556	33,458
Teacher Assistants	18,348	22,858
Personal Care and Service Occupations	18,299	22,199
Childcare Workers	18,749	22,380
Bus Drivers, School or Special Client	21,418	28,667
Administrative and Office		
Office and Administrative Support Occupations	\$22,859	\$33,919
Library Assistants, Clerical	19,140	22,788
Medical Secretaries	26,240	34,660
Secretaries and Admin. Assistants (Except Legal, Medical)	23,277	33,542
Office and Administrative Support Workers, All Other	22,493	34,188

Source: Illinois Department of Employment Security (IDES)

Valerie S. Kretchmer *Associates, Inc.*

Real Estate and Planning Consulting

807 Davis Street • #2004
Evanston, IL 60201-7103
TEL 847-864-8895
E-MAIL vsk@kretchmerassociates.com

May 7, 2015

Mr. David Petroni
Buckeye Community Hope Foundation
3021 E. Dublin-Granville Road
Columbus, OH 43231

Dear David:

Valerie S. Kretchmer Associates, Inc. (VSKA) is pleased to provide you with information relative to the apartment market in and near Tinley Park, IL. There are no LIHTC family apartments in Tinley Park. We have identified the competitive area to also include neighboring Orland Park and Oak Forest. There are no tax credit family apartments in these two other communities.

The Low-Income Housing Tax Credit rents you have proposed are considerably lower than the market rents in the area, which are quite high. In addition, only one market rate property offers three bedroom units, so that the inclusion of that size unit in your building will fill a need.

The pages that follow provide detailed information on the apartment market, as well as the incomes of residents of Tinley Park.

Sincerely,



Valerie Sandler Kretchmer
President

Apartment Market Rents in and Near Tinley Park

The table below summarizes the rent range for market rate apartments in Tinley Park, Orland Park and Oak Forest. Because there are relatively few non-age restricted apartment complexes in Tinley Park, VSKA also surveyed complexes in these neighboring communities. In addition, we are including information on rents at individually owned condominiums and townhouses for rent in the area. These tend to be much larger units and thus more expensive.

SUMMARY OF RENTS AND UNIT SIZES IN TINLEY PARK, ORLAND PARK AND OAK FOREST

	Rent Ranges	Square Foot Ranges	Range Rent/Square Foot
Tinley Park			
1/1	\$855-1,085	630-1,055	\$1.03-1.36
2/1	915-1,250	850-1,100	1.07-1.14
2/2	1,080-1,280	1,130-1,340	0.95-0.96
3/2	1,500-2,300	1,327-1,872	1.13-1.23
Orland Park			
1/1	\$920-1,650	750-892	\$1.27-1.85
2/1	1,025-1,670	800-975	1.28-1.71
2/2	1,125-2,400	990-1,512	1.13-1.58
3/2	2,500	NA	NA
Oak Forest			
1/1	\$810-1,000	650-765	\$1.32-1.31
2/1	930-950	900	1.03-1.05
2/2	1,070-1,130	950	1.13-1.18

NA Not Available

Source: Valerie S. Kretchmer Associates, Inc.

TINLEY PARK AREA MARKET RATE RENTAL PROPERTIES

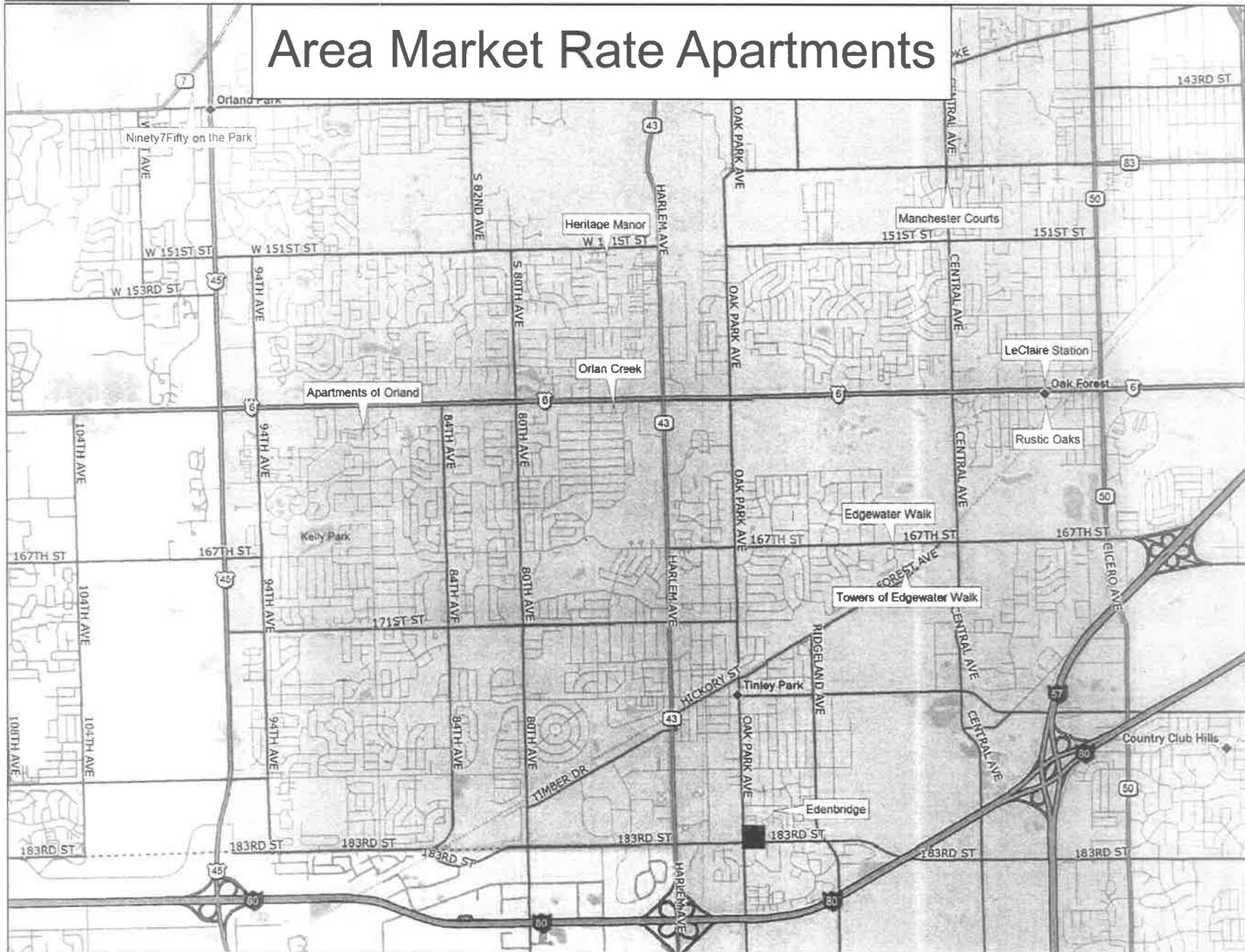
Name and Address	Age (years)	# of Units	Monthly Rental Range		Square Footage	Average Rent/ S.F. (\$)	Utilities Included
			Unit Type (Bed/Bath)	\$			
The Towers of Edgewater Walk 5910 W. Lake Bluff Dr	1986	112	1/1	\$1,065-1,085	956-1,055	\$1.02-1.11	Water and trash
Tinley Park			1/2	1,110	1,289	0.86	
708-633-1555			2/1	1,135-1,165	1,173	0.97-0.99	
			2/1.5	1,150-1,180	1,173	0.98-1.00	
			2/2	1,225-1,280	1,340	0.91-0.95	
Edgewater Walk Apartments 16703 Lakewood Drive Tinley Park 708-429-2299	1970	179	1/1	\$909-919	815	\$1.09-1.10	Heat, cooking gas and water
			2/2	1,080-1,090	1,130	0.96	
Orlan Creek Apartments 16919 Centerway Walk Tinley Park 708-532-8050	1974	208	1/1	\$855	630	\$1.36	Heat, cooking gas and water
			2/1	915-945	850-875	1.00-1.01	
Edenbridge Apartments 18134 S. 66th Court Tinley Park 708-429-0630	1980s	122	1/1	\$935-940	698-726	\$1.29-1.33	Heat, water and trash
			2/1	1,030	961	1.07	
			2/1.5 TH	1,255	1,046	1.20	
			3/1.5 TH	1,500	1,327	1.13	
Heritage Manor Apartments 15119 Catalina Dr. Orland Park 708-532-4441	1978	84	1/1	\$920	750	\$1.23	Heat, cooking
			2/1	1,025	800	1.28	

Name and Address	Age (years)	# of Units	Monthly Rental Range		Square Footage	Average Rent/ S.F. (\$)	Utilities Included
			Unit Type (Bed/Bath)	\$			
Apartments of Orland 16005 Applewood Ln Orland Hills 708-403-4044	1988	252	1/1	\$1,000	722	\$1.39	Gas heat, cooking gas and water
			2/2	1,125	990	1.14	
Ninety7Fifty On The Park 9750 Crescent Park Circle Orland Park 708-364-1122	2013	295	1/1	\$1,410-1,650	746-892	\$1.84-1.89	NA
			1/1.5	1,450	788	1.84	
			2/1	1,670	975	1.71	
			2/2	1,805-2,400	1,105-1,512	1.58-1.63	
Rustic Oaks 15935 Le Claire Ave Oak Forest 888-295-7749	1980	144	1/1	\$860-930	680	\$1.26-1.36	Heat, cooking gas and water
			2/1.5	1,070-1,130	950	1.13-1.18	
Le Claire Station Apartments 15859 Le Claire Ave Oak Forest 312-506-3200	1969	124	1/1	\$850	616	\$1.38	Gas, water and trash
Manchester Courts 14700 Central Ave Oak Forest 312-582-4147	1964	165	1/1	\$810	650	\$1.25	NA
			2/1	930-950	900	1.03-1.05	

NA Not Available

Source: Valerie S. Kretchmer Associates, Inc.

Area Market Rate Apartments



Data use subject to license.

© DeLorme DeLorme Street Atlas USA© 2013.

www.delorme.com



Scale 1 : 56,250



1" = 4,687.5 ft Data Zoom 11-7

TOWNHOUSES AND CONDOS FOR RENT IN TINLEY PARK, ORLAND PARK AND OAK FOREST

Address	Community	BR/Bath	Rent	Size (SF)	Average Rent/SF	Utilities included
17309 Oak Park Ave	Tinley Park	1/1	\$950	NA	NA	NA
7944 164th Pl	Tinley Park	2/1	\$1,250	1,100	\$1.14	NA
8044 160th St	Tinley Park	2/1.5	\$1,600	1,400	\$1.14	Water and Trash
6669 Pine Lake Dr	Tinley Park	2/2	\$1,750	NA	NA	NA
61 Corinth Dr	Tinley Park	3/2	\$2,300	1,872	\$1.23	NA
9790 Liberty Cir #3E	Orland Park	2/2	\$1,600	1,200	\$1.33	Electric, water and trash
10701 Gabrielle Ln	Orland Park	2/2.5	\$1,900	1,800	\$1.06	None
10595 W 154th Pl	Orland Park	2/2.5	\$2,000	NA	NA	NA
10466 San Luis Ln	Orland Park	3/2.5	\$2,500	NA	NA	None
14509 Sussex Ct #G2	Oak Forest	1/1	\$1,000	765	\$1.31	Water, cooking and heating gas and trash

NA Not Available

Source: Trulia.com; Valerie S. Kretchmer Associates, Inc.

Tinley Park has a relatively low rental housing share. According to data from Esri, a demographic data vendor, and based on the American Community Survey published by the U.S. Census, the renter share in the village is only 15%. In comparison, the renter share in Oak Forest is higher at 20% and in Orland Park it is lower at only 11%.

Tinley Park Household Incomes

VSKA obtained data from Esri on incomes for households in Tinley Park. The typical income range for renters in affordable apartments is \$15,000 on the low end to \$50,000 at the upper end. The maximum allowable incomes in the Chicago metro area for a household at 60% of the area median income (AMI) range from \$31,920 for a one-person household, to \$45,600 for a four-person household, up to \$52,920 for a six-person household. Since your proposed development will include one, two and three bedroom units, we assume that the maximum income for eligible tenants will be \$50,000.

The table that follows shows the estimated 2015 households under age 65 by income in the village. There are an estimated 3,294 households with incomes of \$15,000-49,999, equal to 15% of the total households under age 65. This number is well in excess of the 47 units proposed for your development. The 47 units are equal to only 1.4% of the households under 65 in the \$15,000-49,999 income range in the village, a very tiny share.

**TINLEY PARK 2015 INCOMES FOR HOUSEHOLDS
UNDER 65**

	Number	Percent
Total Households Under 65	21,651	
Household Income - Under Age 65		
Under \$15,000	659	3.0%
\$15,000-\$24,999	828	3.8%
\$25,000-\$34,999	1,193	5.5%
\$35,000-\$49,999	1,273	5.9%
\$50,000+	<u>12,016</u>	<u>55.5%</u>
Total \$15,000-49,999	3,294	15.2%

Source: ESRI

Typical Incomes for Selected Occupations

The proposed housing will be positioned as workforce housing, targeting public employees, healthcare and social service workers, pre-school and daycare workers, secretaries, etc. These occupations have salaries that fall within the required income levels for Low-Income Housing Tax Credit properties.

VSKA obtained data on typical starting salaries and median wages for a range of occupations. We were able to obtain information from the Village of Tinley Park and from the Illinois State report cards for school districts for salary information locally. We also obtained data from the Illinois Department of Employment Security on entry level and median wages in the Chicago Metro Area for a wide range of occupations as of 2013, the last year for which the data are available.

The table on the following page shows that the wages for many health care, social work, education and administrative occupations range from \$18,000-25,000 for an entry level job and \$22,000-35,000 for the median job earner. Most of these people would qualify for LIHTC apartments.

There are a number of job classifications in the Village of Tinley Park that fall within the LIHTC income guidelines with salaries ranging from approximately \$15,000 to \$40,000. These include maintenance personnel, administrative assistants, bus drivers, accounting and planning personnel.

The average salaries for teachers in the districts that cover Tinley Park are higher than the LIHTC maximums, as shown below:

High School SD 228	\$93,350
Elementary SD 140	\$65,582
Elementary SD 146	\$60,949

Tinley Park Veterans

According to data from the 2009-2013 American Community Survey conducted by the U.S. Census, Tinley Park has a total of 3,435 veterans, 52% of whom are under age 65.

VETERAN POPULATION IN TINLEY PARK

	Number	Percent
Total Veteran Population	3,435	
18 to 34 Years	234	6.8%
35 to 54 Years	353	10.3%
55 to 64 Years	1,194	34.8%
65 to 74 Years	726	21.1%
75+ Years	928	27.0%
Under 65 Years	1,781	51.8%
Over 65 Years	1,654	48.2%

Source: American Community Survey 5-Year 2009-2013

**ENTRY AND MEDIAN WAGES FOR SELECTED OCCUPATIONS
IN THE CHICAGO METROPOLITAN AREA, 2013**

Occupation	Entry Wage	Median Wage
Health and Counseling		
Rehabilitation Counselors	\$24,268	\$33,251
Mental Health and Substance Abuse Social Workers	25,312	35,061
Social and Human Service Assistants	20,445	27,457
Community Health Workers	24,269	35,156
Dietetic Technicians	18,160	22,371
Pharmacy Technicians	19,815	27,677
Opticians, Dispensing	23,332	32,254
Healthcare Support Occupations	20,329	25,495
Home Health Aides	19,302	21,975
Nursing Assistants	20,427	24,997
Occupational Therapy Aides	18,151	19,158
Dental Assistants	24,138	35,008
Medical Assistants	24,491	30,640
Pharmacy Aides	18,679	22,237
Education and Childcare		
Preschool Teachers, Except Special Education	\$20,639	\$25,769
Self-Enrichment Education Teachers	19,333	33,906
Substitute Teachers	24,189	28,634
Library Technicians	23,556	33,458
Teacher Assistants	18,348	22,858
Personal Care and Service Occupations	18,299	22,199
Childcare Workers	18,749	22,380
Bus Drivers, School or Special Client	21,418	28,667
Administrative and Office		
Office and Administrative Support Occupations	\$22,859	\$33,919
Library Assistants, Clerical	19,140	22,788
Medical Secretaries	26,240	34,660
Secretaries and Admin. Assistants (Except Legal, Medical)	23,277	33,542
Office and Administrative Support Workers, All Other	22,493	34,188

Source: Illinois Department of Employment Security (IDES)