

*Prepared for Communities for
Veterans August 2015*

Freedom's Path at Hines FACT SHEET

Background/Overview

Under our nation's goal to end Veteran homelessness by the end of 2015, and to enhance and support its mission to create safe, affordable, permanent housing for Veterans, the United States Department of Veterans Affairs ("VA") under its enhanced-use leasing ("Enhanced-Use Lease" or "EUL") authority, codified at 38 U.S.C. §§ 8161-8169, in December 2011 entered into an EUL agreement with Hines Veteran Residences Limited Partnership (Lessee) for the construction of a housing facility for homeless and disabled Veterans at the Hines VA Medical Center (VAMC) in Hines, Illinois. The project broke ground in May 2014, and Veterans who had been on a waiting list moved in August 2015.

What

Designed to achieve a LEED for Homes Silver certification, Freedom's Path at Hines is a new residential construction project, consisting of 72 private residences within a three-story, 63,000- square-foot building. The building will include 36 studio and 36 one-bedroom units, each with a fully appointed kitchen and private bath.

Numerous features and amenities will enhance and extend both resident independence and quality of life. Residences will feature Energy Star-rated appliances, dishwasher, garbage disposal, carpeting, window blinds, and central air conditioning. Community amenities include onsite management, a fitness center, a social/clubroom, technology center, laundry facility, and elevator as well as communal areas and break-out rooms for therapy and special needs services. Outside the project will feature ample parking, a covered entry driveway, seating area with fireplace, and a basketball court.

A crucial feature in the design of Freedom's Path at Hines is that it creates a community where Veterans can live and receive services, therapy, and physical rehabilitation within the nearby VA campus buildings, as well as the new facility. (See 'Where' for more.)

Where

Freedom's Path at Hines is situated on approximately 4.6 acres, along the southern boundary, or Airmail Road, of the Hines Veterans Administration Medical Campus. It is bordered to the south by railroad tracks and a National Guard site, to the west by the Ronald McDonald House, and to the east by various storage and maintenance facilities.

This ideal location onsite the VAMC campus provides a cornerstone to the benefit of the Freedom's Path community: enriched supportive housing within a short walk or free trolley ride's distance to the VA's hospital and Veteran's services. Not only will residents who are in need of the well-earned supportive services have easy access to the neighboring VA campus, VA caseworkers will also be located immediately within the Freedom's Path facility.

In addition to the VA's supportive services, Freedom's Path at Hines residents also have access to supportive services through other third party non-profit and governmental entities. The direct services - or links to - will include outreach and referrals, counseling, legal assistance, medical guidance, education classes, and all clinical services at the VA Medical Center.

Why

War Veterans, and especially disabled Veterans, often experience difficulty re-entering civilian life, in part due to a lack of affordable housing.

In the 2014 Point in Time count the Continuum of Care (CoC) in the two nearest jurisdictions that serve the core of the Chicago metropolitan area had 819 homeless Veterans. In 2014 there were 1,174 units of permanent supportive housing designated for Veterans within these two service areas.

Freedom's Path at Hines's additional 72 units will substantially narrow the gap between the remaining need for affordable, permanent supportive housing for Veterans and the inventory of available units.

In addition to filling the need for housing, Freedom's Path at Hines will be geared toward enabling Veterans to achieve a meaningful life of self-sufficiency and independent living. Residents will be offered essential services and support through various managers and mentors to develop skills necessary for independence and greater self-reliance. These include, but are not limited to applying for all eligible VA and non-VA benefits; managing health and disability concerns; making connections to the larger community; maintaining a safe and healthy living environment; training and assistance for developing skills of daily living like budgeting and finances; job training and placement; and educational opportunities.

Who

The community was designed and built specifically with a goal of priority placement for Veterans who are homeless and/or disabled, and who have the ability to live

independently while benefiting from close proximity to VA services.

Freedom's Path at Hines, along with seven similar communities, was developed by Communities for Veterans (CFV), a collaborative partnership of industry-leading providers of housing development with decades of comprehensive expertise in multifamily and needs-based real estate. Led by CFV's Craig Taylor, a Vietnam Era Veteran, and Adam Gratzer, an Operation Iraqi Freedom Veteran, the collective development team for Freedom's Path at Hines consists of: VOA Associates, Architect; DRG Group, Inc., Project Management; CORE Construction, Construction Management; The Erickson Group, Civil Engineer; Broad and Cassel, Legal.

In addition, Solutions for Veterans Inc. (SfV) is the Lead Service Provider for all Freedom's Path EUL projects, including Hines. SfV will augment the comprehensive array of medical and therapeutic services provided by the Hines VAMC through the coordination of a broad system of supportive services.

Funded through private and public grant sources and donations, this Atlanta-based, not-for-profit organization offers a long history of providing and coordinating services for special needs populations. Its guiding philosophy is to utilize existing service programs and networks to provide locally available services where possible, only directly engaging in service provision when local options are not available. SfV will identify and coordinate a range of services for Freedom's Path residents.

How

The project utilized what has become the traditional "layer cake" approach to funding supportive housing developments due to the need to produce a "no hard debt" project financing structure. The development team was awarded tax credits and funds for construction and permanent financing of the project from the following sources:

Illinois Housing Development Authority (Housing Tax Credits) Department of Veterans Affairs Cook County HOME Federal Home Loan Banks of Chicago (FHLB) Affordable Housing Program (AHP) Grant Bridge funding from J.P. Morgan Chase Equity through RBC Capital Markets Developer Equity

Going forward, the primary source of operating funds will be tenant paid rent (\$770-\$900). However, to enable residents to pay no more than 30 percent of their income for rent and utilities, the project will incorporate rental subsidies through Project Based Housing Choice Vouchers, VA Supportive Housing (VASH) funding administered by the Housing Authority of Cook County.

###