



City of Chicago



O2019-9419

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 12/18/2019

Sponsor(s): Lightfoot (Mayor)

Type: Ordinance

Title: Redevelopment tax-exempt bond agreement with Bickerdike Redevelopment Corporation, Rockwell Community Development, Inc. and associated entities for construction of affordable rental housing at 2602-2638 N Emmett St

Committee(s) Assignment: Committee on Finance

ORDINANCE

WHEREAS, the City of Chicago (the "City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe and sanitary rental housing available for persons of low and moderate income; and

WHEREAS, the City has determined that the continuance of a shortage of affordable rental housing is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, Bickerdike Redevelopment Corporation, an Illinois not-for-profit corporation ("Developer"), through a to-be-formed limited partnership (the "Borrower"), of which either Rockwell Community Development, Inc., an Illinois not-for-profit corporation, or another entity affiliated with, related to, or with overlapping ownership interests in the Developer or Borrower, is anticipated to be the general partner, intends to acquire certain property located generally at 2602-2638 North Emmett Street in the City (the "Property"); and

WHEREAS, Developer has proposed a certain low-income housing development project on the Property consisting of a new construction of one seven-story elevator building and of approximately 100 affordable rental units therein, along with certain common areas, associated parking spaces and other building amenities (the construction and equipping of the real estate and the building, including the residential dwelling units and associated areas in the building, shall be known as the "Project"); and

WHEREAS, Developer has requested that the City issue multi-family housing revenue bonds, notes or other indebtedness in an amount not to exceed \$22,500,000 (the "Bonds") for the purpose of financing a portion of the Project costs; and

WHEREAS, it is intended that the interest on the Bonds will be excluded from gross income for federal income tax purposes; and

WHEREAS, it is intended that this ordinance shall constitute a declaration of intent to reimburse certain eligible expenditures for the Project made prior to the issuance of the Bonds ("Eligible Project Costs") from the proceeds of the Bonds (if and when issued) within the meaning of Section 1.150-2 of the Treasury Regulations promulgated under the Internal Revenue Code of 1986, as amended (the "Treasury Regulations"); now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The City intends to issue the Bonds and lend all or a portion of the proceeds thereof ("Bond Proceeds") to the Borrower, or to another entity affiliated with, related to, or with overlapping ownership interests in the Developer or the Borrower, for

the purpose of financing a portion of the Project costs. The maximum principal amount of Bonds which the City intends to issue for the Project will not exceed \$22,500,000.

SECTION 3. Certain Eligible Project Costs will be incurred by the Borrower and/or its affiliates (including the Developer) in connection with the Project prior to the issuance of the Bonds. The City reasonably expects to reimburse such Eligible Project Costs with Bond Proceeds.

SECTION 4. The Eligible Project Costs to be reimbursed with Bond Proceeds will be paid initially from funds of the Borrower and/or its affiliates, including the Developer.

SECTION 5. This ordinance is consistent with the budgetary and financial circumstances of the City. No funds from sources other than Bond Proceeds are, or are reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside by the City for the Project for costs to be paid from Bond Proceeds.

SECTION 6. This ordinance constitutes a declaration of official intent under Section 1.150-2 of the Treasury Regulations.

SECTION 7. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of the City, or any part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 8. This ordinance shall be effective as of the date of its passage and approval.

FIN



OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

December 18, 2019

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing, I transmit herewith an ordinance authorizing an issuance of tax-exempt housing revenue bonds for Emmett Street apartments.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in black ink that reads "Lori E. Lightfoot".

Mayor

CHICAGO January 15, 2020

To the President and Members of the City Council:

Your Committee on Finance having had under consideration an ordinance authorizing the Redevelopment tax-exempt bond agreement with Bickerdike Redevelopment Corporation, Rockwell Community Development, Inc. and associated entities for construction of affordable rental housing at 2602-2638 N Emmett Street.

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Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed

This recommendation was concurred in by _____ (a viva voce vote) of members of the committee with Ø dissenting vote(s).

Respectfully submitted,

(signed) Scott E. Guispach

Chairman

APPROVED

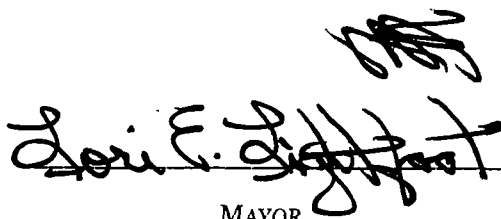


CORPORATION COUNSEL

DATED:

01/21/20

APPROVED



MAYOR

DATED:

01/21/20