



City of Chicago



O2016-6490

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 9/14/2016

Sponsor(s): Moreno (1)
Pawar (47)
Osterman (48)
Burnett (27)
Ramirez-Rosa (35)
Arena (45)

Type: Ordinance

Title: Amendment of Municipal Code Section 2-45-115 regarding compliance with 2015 Affordable Requirements Ordinance (ARO) by for-profit developers of residential housing projects and planned developments receiving tax increment financing (TIF) assistance

Committee(s) Assignment: Committee on Housing and Real Estate

Housing

ORDINANCE AMENDING ARO ORDINANCE

WHEREAS, The purposes of the 2015 Affordable Requirements Ordinance (2015 ARO) are to expand access to housing for low-income and moderate- income households and preserve the long-term affordability of such housing throughout the entire City; and

WHEREAS, The purposes of tax increment financing (TIF) are to develop blighted areas to promote private investment across the City, leading to jobs for City residents and better neighborhoods; and

WHEREAS, There are development projects in the City which receive TIF funds and are subject to the 2015 ARO; and

WHEREAS, It is in the interest of the City for the City Council to ensure that the purpose of both ordinances are achieved; and

WHEREAS, There are instances where TIF funds have been used by a developer to pay an in lieu fee instead of providing the number of affordable units required by the 2015 ARO; and

WHEREAS, Allowing the use of TIF Funds to pay the in lieu fee does not maximize the impact of TIF funds; and

WHEREAS, there have been projects receiving TIF funds that have satisfied the requirements of the 2015 ARO by the provision of affordable units off-site; and

WHEREAS, the TIF goal of maximizing development in blighted areas is not fully achieved if in a development receiving TIF funds affordable units are provided off-site; and

WHEREAS, The 2015 ARO intends to promote affordable housing throughout the City, which goal is compromised when a development receives TIF funds and the 2015 ARO requirements are met by the payment of an in lieu fee or provision of affordable units off-site; and

WHEREAS, Paying an in lieu fee or providing affordable units off-site can lead to affordable housing not being equitably developed throughout the City to the maximum extent possible; now, therefore,

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

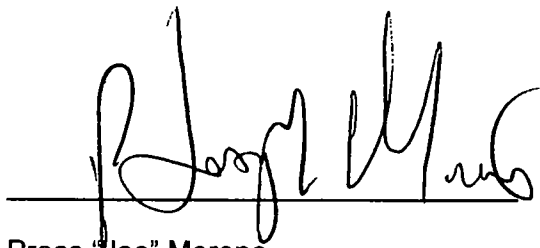
SECTION 1. The recitals above are hereby incorporated by reference.

SECTION 2. Section 2-45-115 of the Municipal Code is hereby amended by adding the language underscored below:

(J) *Tax Increment Financing.*

(1) With respect to the development of residential housing projects and planned developments assisted by the city with TIF funds in redevelopment project areas established pursuant to the TIF Act, to the extent that the requirements of this section conflict with any TIF guidelines now or hereinafter in effect, the TIF guidelines shall prevail. Provided, however, notwithstanding anything to the contrary in the 2015 ARO or the TIF guidelines, a for-profit developer receiving TIF funds can only satisfy its obligations under subsection (C) of the 2015 ARO by providing affordable units on-site.

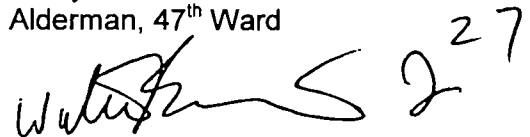
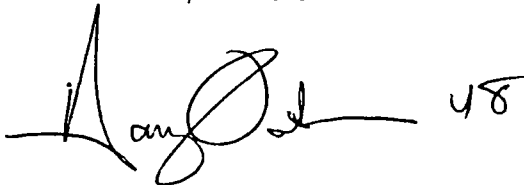
SECTION 3. This ordinance is effective upon passage and approval.



Proco "Joe" Moreno
Alderman, 1st Ward



Ameya Pawar
Alderman, 47th Ward



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