Office of the Chicago City Clerk

O2011-9767

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	12/14/2011
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Intent to issue housing revenue bonds for Bronzeville Associates Senior Apts.
Committee(s) Assignment:	Committee on Finance

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CHICAGO January 18, 2012

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

An ordinance which would evidence the City's intent to issue City of Chicago Multi-Family Housing Revenue Bonds (Bronzville Associates Senior Apartments Project).

O2011-9767

Amount of Bonds
not to exceed $10,000,000

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

Ordinance Transmitted Herewith

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

Alderman Burke abstains from voting pursuant to Rule 14.

Respectfully submitted

(signed)

Chairman

Document No._____

REPORT OF THE COMMITTEE ON FINANCE
TO THE CITY COUNCIL
CITY OF CHICAGO

FIN.
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OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

December 14, 2011

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

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith an ordinance authorizing an intent to issue housing revenue bonds for Bronzeville Associates Senior Apartments.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

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, Bronzeville Associates Senior Apartments Limited Partnership, an Illinois limited partnership (the "Developer"), has proposed a certain low-income housing development project consisting of the acquisition and rehabilitation of one residential building which upon completion of the rehabilitation thereof will contain approximately 97 residential dwelling units for senior citizens, located at 460 East 41st Street in Chicago and currently expected to be known as Bronzeville Senior Apartments (the rehabilitation and equipping of the real estate and the building and other improvements thereon, including the residential dwelling units and associated areas in the building shall be known as the "Project"); and

WHEREAS, the Developer has requested that the City issue multi-family housing revenue bonds, notes or other indebtedness in an amount not to exceed $10,000,000 (the "Bonds") for the purpose of financing all or 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 Developer, or an entity affiliated with or related to the Developer (in either case, the "Borrower"), for the purpose of financing all or a portion of the Project costs. The maximum principal amount of Bonds which the City

intends to issue for the Project will not exceed $10,000,000.

SECTION 3. Certain Eligible Project Costs will be incurred by the Borrower 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.

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 Chicago, or 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.

APPROVED

Steph. R. Petka

CORPORATION COUNSEL

APPROVED

Rahm Emanuel by SRD

Mayor

1/31/12