

Office of the Chicago City Clerk



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City Council Document Tracking Sheet

Meeting Date:

7/28/2011

Sponsor(s):

Mayor Emanuel

Type:

Ordinance

Title:

Conveyance of property to Chicago Housing Authority

Committee(s) Assignment:

Committee on Housing and Real Estate



OFFICE OF THE MAYOR CITY OF CHICAGO

RAHM EMANUEL
MAYOR

July 28, 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, 1 transmit herewith an ordinance authorizing a conveyance of property to the Chicago Housing Authority.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDI**N**A**N**CE

WHEREAS, the City of Chicago ("<u>City</u>") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970 and, as such, may exercise and perform any function pertaining to its government and affairs; and

WHEREAS, the Chicago Housing Authority, an Illinois municipal corporation (the "CHA") is engaged in the development and operation of safe, decent and sanitary housing throughout Chicago for low-income families in accordance with the United States Housing Act of 1937, 42 USC Section 1437, et seq., regulations promulgated by the United States Department of Housing and Urban Development ("HUD"), the State Housing Authorities Act, 310 ILCS 10/1 et seq., as amended and other applicable laws, regulations and ordinances; and

WHEREAS, CHA has undertaken the redevelopment of various public housing developments into mixed-income communities as further set forth in its Plan for Transformation; and

WHEREAS, the City and the CHA have recognized that the acquisition of certain real property is essential to the overall redevelopment plan for these communities and that such acquisition would serve a public purpose; and

WHEREAS, pursuant to the Intergovernmental Cooperation Act, 5 ILCS 220/1, et seq., and the Housing Cooperation Law, 310 ILCS 15/1 et seq., the City and the CHA are authorized to contract with one another to perform any governmental service, activity or undertaking which either of them is authorized by law to perform; and

WHEREAS, to assist the CHA in its acquisition efforts, and pursuant to that certain ordinance passed by the City Council on September 4, 2002 and published in the Journal of Proceedings of the City Council at pages 92848 through 92860 (the "2004 Ordinance"), the City, acting by and through its Department of Planning and Development (together with any successor department thereto, the "Department") the CHA and Daniel E. Levin and The Habitat Company LLC, not individually, but in their collective capacity as receiver for CHA in the development of new non-elderly public housing (the "Receiver"), have previously entered into that certain Amended and Restated Intergovernmental Agreement For Land Acquisition dated as of September 10, 2004 (the "2004 IGA"); and

WHEREAS, pursuant to the 2004 IGA, the City, using funds provided by the CHA and the Receiver, has previously acquired certain real property, including the real property identified on Exhibit A to this ordinance (such "Acquired Properties"); and

WHEREAS, Section 8 of the 2004 IGA requires that title to each Acquired Property remain with the City until such Acquired Property is sold to a developer, or transferred to the CHA to be ground leased to a developer, for its intended development purpose; and

WHEREAS, Section 8 of the 2004 IGA also provides that if no such intended development occurs within seven (7) years of the City's acquisition of an Acquired Property, then the City may either retain title to the Acquired Property and reimburse the CHA for its acquisition cost, or may sell the Acquired Property for its fair market value and pay the

proceeds from such sale to the CHA and/or the Receiver (or as otherwise directed by HUD); and

WHEREAS, the City now desires amend its 2004 Ordinance in order to convey the Acquired Properties to the CHA prior to the actual closing of the intended development projects and prior to such seven (7) year outside date, provided, however, that all such conveyances shall be subject to the CHA's use (and any successor developer's use) of such properties for the public purposes that authorized the City's acquisition of such Acquired Properties; and

WHEREAS, by Resolution No. 11-055-21, adopted by the Plan Commission of the City of Chicago ("Commission") on May 19, 2011, the Commission has recommended the intergovernmental transfer of the Acquired Properties from the City to the CHA for One Dollar (\$1.00) per parcel; and

WHEREAS, as identified on <u>Exhibit A</u> to this ordinance, certain of the Acquired Properties are located in tax increment financing redevelopment project areas established pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (currently codified at 65 ILCS 5/11-74.4-1 et seg.) (the "Act"); and

WHEREAS, pursuant to the Act, the Department has caused public notices advertising the Department's intent to transfer the Acquired Parcels to the CHA pursuant to the 2004 IGA, as amended hereby, for the sum of One Dollar (\$1.00), and requesting alternative proposals, to be published in the Chicago Sun-Times on May 23, 2011, May 30, 2011, and June 6, 2011, and

WHEREAS, no alternative proposals were received by the June 21, 2011deadline indicated in the aforesaid notices; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

<u>SECTION 1</u>. The foregoing recitals are hereby adopted as the findings of the City Council and incorporated herein by reference as a material part of this ordinance.

SECTION 2. The City Council hereby approves the sale and conveyance of the Acquired Properties to the CHA for the sum of One and No/100 Dollars (\$1.00) per parcel.

SECTION 3. Notwithstanding the 2004 Ordinance and the 2004 IGA, the Department is hereby authorized to convey the Acquired Properties to the CHA from time to time at the CHA's prior written request, which request may be made prior to the actual closing for an intended development and prior to the seven (7) year outside date set forth in Section 8 of the 2004 IGA. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, one or more quitclaim deeds conveying such Acquired Properties to the CHA from time to time. The quitclaim deed for each Acquired Property shall include a restrictive covenant obligating the CHA (and any successor in title to the Acquired Property) to use the Acquired Property being conveyed only for the public purpose set forth in the ordinance authorizing the acquisition of such Acquired Property, or such other public purposes as are permitted by law.

<u>SECTION 4</u>. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

<u>SECTION 5.</u> All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict. Except as amended hereby, the 2004 Ordinance and the 2004 IGA shall remain in full force and effect.

SECTION 6. This Ordinance shall be in full force and effect immediately upon its passage.

Exhibit A: List of Acquired Properties

EXHIBIT A

List of Acquired Properties

Address	P.I.N.	Redevel opm en t Pr oject Area
749 E. 37th Street	17-35-101-008	Madden Wells
3743 S. Ell is Avenue	17-35-101-025	Madden Wells
3735 S. Ellis Avenue	17-35-101-021	Madden Wells
3713 S. Ellis Avenue	17-35-101-007	Madden Wells
3766 S. Lake Park Avenue	17-35-101-074	Madden Wells
3800 S. Lake Park Avenue	17-35-101-075	Madden Wells
3835 S. Lake Park Avenue	17-35-104-004	Madden Wells
3839 S. Lake Park Avenue	17-35-104-005	Madden Wells
3849 S. Lake Park Avenue	17-35-104-006	Madden Wells
3859 S. Lake Park Avenue	17-35-104-007	Madden Wells
3861 S. Lake Park Avenue	17-35-104-008	Madden Wells
3863 S. Lake Park Avenue	17-35-104-009	Madden Wells
3865 S. Lake Park Avenue	17-35-104-010	Madden Wells