



City of Chicago



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Office of the City Clerk

Document Tracking Sheet

Meeting Date:	12/13/2017
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Expenditure of portion of Affordable Housing Opportunity Funds for Flexible Housing Subsidy Pool
Committee(s) Assignment:	Committee on Housing and Real Estate



HSG.

OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

December 13, 2017

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

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing an expenditure of \$500,000 in Affordable Housing Opportunity Funds for a Flexible Housing Subsidy Pool.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

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 affordable to persons of low and moderate income; and

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

WHEREAS, the Department of Planning and Development ("DPD") is an executive department of the City which, among other things, coordinates the formulation and execution of projects and programs creating safe, decent and affordable housing for residents of the City; and

WHEREAS, the Department of Family and Support Services ("DFSS") is an executive department of the City which, among other things, plans and coordinates programs and projects that help to prevent and end homelessness; and

WHEREAS, DPD and DFSS have established a program to provide rental subsidies to selected landlords in order to enable such landlords to house certain eligible tenants and to provide social services to such tenants pursuant to program parameters as further described on Exhibit A hereto and hereby incorporated herein (the "Flexible Housing Subsidy Program"); and

WHEREAS, certain funds (the "AHOF Funds") have been previously appropriated by the City pursuant to Section 2-45-115(G)(1) of the Municipal Code of Chicago (the "Municipal Code") which may be "used for the construction, rehabilitation or preservation of affordable housing or may be used in connection with such other housing programs as shall be specifically approved by the City Council for such revenues"; and

WHEREAS, DPD would like to designate the Flexible Housing Subsidy Program as a housing program which is specifically approved by the City Council of the City (the "City Council") for the AHOF Funds; and

WHEREAS, DPD intends to grant AHOF funds for the Flexible Housing Subsidy Program in the approximate initial amount of \$500,000; and

WHEREAS, DFSS intends to grant funds for the Flexible Housing Subsidy Program in the approximate initial amount of \$500,000 (the "DFSS Funds") which have been previously appropriated by the City; and

WHEREAS, additional parties, including, but not limited to the Chicago Housing Authority (the "CHA"), may be willing to contribute funds to the Flexible Housing Subsidy Program (if any, the "Other Funders"); and

WHEREAS, the CHA intends to contribute funds for the Flexible Housing Subsidy Program in the approximate initial amount of \$800,000; and

WHEREAS, the City intends to issue a request for proposals ("RFP") in connection with the administration of the Flexible Housing Subsidy Program to ensure efficient coordination among participating landlords, tenants, social service providers, the City and the Other Funders, if any; and

WHEREAS, based on response to the RFP, DFSS will select parties which it determines are in the best interests of the City to engage to assist in the administration of the Flexible Housing Subsidy Program (the "Selected Parties"); and

WHEREAS, DPD hereby recommends to the City Council that the Flexible Housing Subsidy Program be specifically approved by the City Council as a housing program for which the use of AHOF Funds is authorized; and

WHEREAS, DFSS hereby recommends to the City Council that the City be authorized to enter into an agreement by and among the City, the Selected Parties and the Other Funders, if any, for a term not to exceed five years (the "Program Administration Agreement") in connection with the implementation of the Flexible Housing Subsidy Program; 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 Council hereby specifically approves the Flexible Housing Subsidy Program as a housing program for which the use of AHOF Funds is authorized.

SECTION 3. The Commissioner of DFSS (the "DFSS Commissioner"), or a designee of the DFSS Commissioner (each, an "Authorized Officer") is hereby authorized, subject to the approval of the Corporation Counsel, to enter into, negotiate and execute the Program Administration Agreement, along with such other documents, agreements or instruments as may be necessary or advisable to implement the Flexible Housing Subsidy Program. Subject to the approval of the Corporation Counsel, the Authorized Officer may determine, in the best interests of the City and within the program parameters, the terms of all such documents, agreements or instruments necessary to effectuate the intent of this ordinance and the implementation of the Flexible Housing Subsidy Program, and may disburse the proceeds of the AHOF Funds and the DFSS Funds pursuant to such documents, agreements or instruments. Depending on the results of the RFP, funding the development of the IT System (as defined on Exhibit A) may be included in the scope of the Program Administration Agreement, or may be accomplished pursuant to an agreement entered into between the City and a provider separately selected by the Authorized Officer on terms and conditions negotiated in the best interests of the City.

SECTION 4. The DFSS Commissioner is hereby authorized to promulgate rules and regulations for the Flexible Housing Subsidy Program (the "Program Rules").

SECTION 5. The documents, agreements and instruments entered into in connection with the Flexible Housing Subsidy Program shall not be deemed to be "city contracts" within the meaning of Section 11-4-1600(e) of the Municipal Code.

SECTION 6. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, 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 7. This ordinance shall be in full force and effect by and from the date of its passage and approval.

EXHIBIT A

PROGRAM PARAMETERS

- Eligible tenants shall be homeless at initial occupancy, as determined pursuant to the Program Rules.
- Rental subsidies shall be provided to selected landlords in order to house eligible tenants in eligible properties in accordance with the Program Rules.
- Supportive services shall be provided to eligible tenants in accordance with the Program Rules.
- The Flexible Housing Subsidy Program may fund the development and operation of an information technology system (the "IT System") with the capacity to interface with the Homeless Management Information System (HMIS).