



City of Chicago



O2019-1399

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 3/13/2019

Sponsor(s): Emanuel (Mayor)

Type: Ordinance

Title: Intergovernmental agreement with Chicago Housing Authority exchange of property located SW at S State St and W Pershing Rd (Douglas Community Area and Bronzeville Plan) for Chicago Housing Authority parcels located NW at W Pershing Rd at S State St (35th/State Redevelopment Area)

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

HSG



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

March 13, 2019

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 the execution of an intergovernmental agreement with the Chicago Housing Authority regarding an exchange of real property.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor

ORDINANCE

WHEREAS, the City of Chicago ("City") 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 any power and perform any function pertaining to its government and affairs; and

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

WHEREAS, pursuant to an ordinance adopted by the City Council of the City ("City Council") on January 4, 2004, and published at pages 17003-17119 of the Journal of the Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (as amended, the "35th/State Plan") for the 35th/State Redevelopment Project Area ("35th/State Redevelopment Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on January 4, 2004, and published at pages 17120-17126 of the Journal of such date, the 35th/State Redevelopment Area was designated as a "Tax Increment Financing District" redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on January 4, 2004, and published at pages 17127-17134 of the Journal of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain 35th/State Redevelopment Area redevelopment project costs (as defined in the Act) incurred pursuant to the 35th/State Plan; and

WHEREAS, pursuant to an ordinance adopted by the City Council on November 4, 1998, and published at pages 80642-80758 of the Journal of such date, a certain redevelopment plan and project (as amended, the "Bronzeville Plan") for the Bronzeville Tax Increment Financing Redevelopment Project Area ("Bronzeville Redevelopment Area") was approved pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on November 4, 1998, and published at pages 80758-80768 of the Journal of such date, the Bronzeville Redevelopment Area was designated as a "Tax Increment Financing District" redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on November 4, 1998, and published at pages 80768-80777 of the Journal of such date, tax increment allocation

financing was adopted pursuant to the Act as a means of financing certain Bronzeville Redevelopment Area redevelopment project costs (as defined in the Act) incurred pursuant to the Bronzeville Plan; and

WHEREAS, the City is the owner of six (6) parcels of real property located at the southwest corner of Pershing Road and State Street, Chicago, Illinois, which are legally described on Exhibit A attached hereto (the "City Property"), and which are located in the Bronzeville Redevelopment Area; and

WHEREAS, the City Property is located in the Douglas Community Area and is comprised of approximately 273,706 square feet; and

WHEREAS, the appraised fair market value of the City Property is \$2,590,000; and

WHEREAS, the CHA is the owner of seven (7) parcels of real property located at the northwest corner of Pershing Road and State Street, Chicago, Illinois, which are legally described on Exhibit B attached hereto (the "CHA Property"), and which are located in the 35th/State Redevelopment Area; and

WHEREAS, the CHA Property is located in the Douglas Community Area and is comprised of approximately 293,809 square feet; and

WHEREAS, the appraised fair market value of the CHA Property is \$2,430,000; and

WHEREAS, the acquisition of the CHA Property by the City is part of a land assembly project that the City is undertaking in order to facilitate a future redevelopment project to the north of Pershing Road and to the west of State Street (the "City Project"); and

WHEREAS, the CHA has undertaken to build a mixed-income residential development and shift housing units that were originally slated for delivery on the original Stateway Garden's footprint and build such housing units upon the City Property and/or in the surrounding community (the "CHA Project"); and

WHEREAS, the City desires to acquire the CHA Property from the CHA, and to convey the City Property to the CHA; and

WHEREAS, the CHA desires to acquire the City Property from the City and to convey the CHA Property to the City; and

WHEREAS, this transaction will benefit Chicago and its residents by allowing the redevelopment of the CHA Property into a commercial shopping plaza offering enhanced retail options for the neighborhood and by generating additional taxes to fund services provided by the City, and by providing employment opportunities to neighborhood residents, including current and former CHA residents; and

WHEREAS, the City Council finds that the conveyance of the City Property to the CHA in exchange for the conveyance of the CHA Property to the City is in the best interests of the City; and

WHEREAS, pursuant to Resolution No. 19-008-21 adopted on February 21, 2019, the Chicago Plan Commission (“CPC”) approved the City’s acquisition of the CHA Property from the CHA and the conveyance of the City Property to the CHA; and

WHEREAS, the CPC has reviewed this proposal and finds this proposal is consistent with the City’s policy to return vacant property to private use and development; and

WHEREAS, if the City Property is not disposed of by the City within one (1) year from the date of Resolution 19-008-21, the City Property shall be referred back to the CPC for consideration prior to disposition; *now, therefore*,

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

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. The City Council hereby approves the sale of the City Property to the CHA in exchange for the acquisition of the CHA Property by the City. This approval is expressly conditioned upon the City entering into an Intergovernmental Agreement with the CHA (the “Intergovernmental Agreement”) in substantially the form attached hereto as Exhibit C. The Commissioner of the City’s Department of Planning and Development (the “Commissioner”) or a designee of the Commissioner is each hereby authorized, with the approval of the City’s Corporation Counsel as to form and legality, to negotiate, execute and deliver the Intergovernmental Agreement, and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of this ordinance, with such changes, deletions and insertions as shall be approved by the persons executing the Intergovernmental Agreement. The Commissioner is further authorized to accept a deed of conveyance from the CHA for the CHA Property, subject to the approval of the Corporation Counsel.

SECTION 3. 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 the City Property to the CHA, subject to those covenants, conditions and restrictions set forth in the Intergovernmental Agreement.

SECTION 4. 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.

SECTION 5. All ordinances, resolutions, motions or orders inconsistent with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. This ordinance shall take effect upon its passage and approval.

Attachments: Exhibit A – Legal Description of City Property
Exhibit B – Legal Description of the CHA Property
Exhibit C – Intergovernmental Agreement

EXHIBIT A

LEGAL DESCRIPTION OF THE CITY PROPERTY

(subject to final survey and title commitment)

ALL OF BLOCKS 1,2 AND 3, IN RAWSON'S AND ACKERLY'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JULY, 20, 1869 AS DOCUMENT NUMBER 19848, LYING NORTH AND EAST OF THE ELEVATED RAILROAD STRUCTURE ALONG THE WEST SIDE OF SAID BLOCK 3, AND SOUTH SIDES OF SAID BLOCKS 1, 2 AND 3, AS IT EXISTS ON JANUARY 30, 2019, AND ALSO ALL THAT PART OF DEARBORN STREET, FEDERAL AVENUE AND THE ALLEYS WITHIN SAID BLOCKS AND LYING ADJACENT TO SAID BLOCKS, EXCEPTING THEREFROM, ALL THAT PART OF BLOCK 1, INCLUDING THE 14 FOOT ALLEY, LYING NORTH OF THE SOUTH LINES OF LOTS 17 AND 32, IN COOK COUNTY, ILLINOIS.

PIN: 20-04-205-002-0000

COMMONLY KNOWN AS: 3942 S. FEDERAL ST.

PIN: 20-04-205-004-0000

COMMONLY KNOWN AS: 3900 S. FEDERAL ST.

PIN: 20-04-206-039-0000

COMMONLY KNOWN AS: 3936 S. DEARBORN ST.

PIN: 20-04-206-040-0000

COMMONLY KNOWN AS: 3935 S. DEARBORN ST.

PIN: 20-04-206-041-0000

COMMONLY KNOWN AS: 3947 S. DEARBORN ST.

PIN: 20-04-207-049-0000

COMMONLY KNOWN AS: 3955 S. DEARBORN ST.

EXHIBIT B

LEGAL DESCRIPTION OF THE CHA PROPERTY **(subject to final survey and title commitment)**

LEGAL DESCRIPTION PARCEL 1

LOTS 18 THROUGH 31 IN BLOCK 1 IN THE SUBDIVISION OF BLOCK 32 AND THE EAST 68 FEET OF BLOCK 31 OF CANAL TRUSTEE'S SUBDIVISION OF SECTION 33, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND ALSO STREETS AND ALLEYS WITHIN AND ADJACENT TO SAID BLOCK 1 LYING SOUTH OF THE NORTH LINES OF SAID LOTS 18 AND 31 EXTENDED, AS VACATED BY ORDINANCE RECORDED AUGUST 1, 1956 AS DOCUMENT NUMBER 16656505, AND VACATED BY ORDINANCE RECORDED MAY 18, 1956 AS DOCUMENT NUMBER 16584962, EXCEPTING THEREFROM THAT PART OF S. DEARBORN STREET DEDICATED IN STATEWAY GARDENS PHASE II-B, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 3, 2012 AS DOCUMENT NUMBER 1233829122, AND ALSO EXCEPTING THEREFROM THAT PART OF W. 38TH STREET, AND S. DEARBORN STREET DEDICATED BY DEDICATION RECORDED AUGUST 1, 1956 AS DOCUMENT NUMBER 16656506, AND ALSO EXCEPTING THE SOUTH HALF OF SAID W. 38TH STREET, IN COOK COUNTY, ILLINOIS.

PIN NO. 17-33-417-048,

Said parcel containing 1.241 acres (54,075 sq.ft.), more or less.

LEGAL DESCRIPTION PARCEL 2

BLOCKS 3, 4 AND 5 IN THE SUBDIVISION OF BLOCK 32 AND THE EAST 68 FEET OF BLOCK 31 OF CANAL TRUSTEE'S SUBDIVISION OF SECTION 33, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND ALSO STREETS AND ALLEYS WITHIN AND ADJACENT TO SAID BLOCKS VACATED BY ORDINANCE RECORDED AUGUST 1, 1956 AS DOCUMENT NUMBER 16656505, AND ALSO THAT PART OF LOT 1 IN STATEWAY GARDENS PHASE II-B, LYING SOUTH OF THE SOUTH LINE OF THE NORTH 100.00 FEET OF LOT 5 IN SAID STATEWAY GARDENS PHASE II-B EXTENDED WEST, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 3, 2012 AS DOCUMENT NUMBER 1233829122, EXCEPTING THEREFROM THAT PART OF 38TH STREET, S DEARBORN STREET AND A 26 FOOT WIDE ALLEY DEDICATION RECORDED AUGUST 1, 1956 AS DOCUMENT NUMBER 16656506, AND ALSO EXCEPTING LOTS 1, 2 AND 3 IN BLOCK 5 OF SAID SUBDIVISION OF BLOCK 32 AND THE EAST 68 FEET OF BLOCK 31 OF CANAL TRUSTEE'S SUBDIVISION, AND ALSO EXCEPTING THAT PART OF S. FEDERAL STREET DEDICATION RECORDED AUGUST 1, 1956 AS DOCUMENT NUMBER 16656506, IN COOK COUNTY, ILLINOIS.

PIN NOS. 17-33-420-049, 17-33-419-052, 17-33-416-050, 17-33-416-049, 17-33-415-045

Said parcel containing 4.824 acres (210,141 sq. ft.), more or less.

LEGAL DESCRIPTION PARCEL 3

LOT 5, EXCEPT THE NORTH 100.00 FEET, IN STATEWAY GARDENS PHASE II-B, IN SECTION 33, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 3, 2012 AS DOCUMENT NUMBER 1233829122, IN COOK COUNTY, ILLINOIS.

PIN NO. 17-33-416-054,

Said parcel containing 0.415 acres (18,063 sq.ft.), more or less.

EXHIBIT C

INTERGOVERNMENTAL AGREEMENT

(ATTACHED)

**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF CHICAGO AND
THE CHICAGO HOUSING AUTHORITY**

This Intergovernmental Agreement (the "Agreement") is entered into this ___ day of _____, 201__, by and between the City of Chicago (the "City"), a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, by and through its Department of Planning and Development ("DPD"), and the Chicago Housing Authority (the "CHA"), a municipal corporation of the State of Illinois (the City and the CHA each, a "Party", and collectively, the "Parties").

RECITALS

WHEREAS, the City is a home rule unit of local government under the 1970 Constitution of the State of Illinois and as such may exercise any power and perform any function pertaining to its government and affairs; and

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

WHEREAS, the City and CHA have authority to enter into intergovernmental agreements pursuant to Article VII, Section 10 of the 1970 Constitution of the State of Illinois; and

WHEREAS, the City owns the property located at the southwest corner of Pershing Road and State Street, as more fully described on **Exhibit A** attached hereto (the "City Property"), and the City Property is comprised of approximately 6.28 acres (273,706 square feet); and

WHEREAS, the appraised value of the City Property is approximately Two Million Five Hundred Ninety Thousand Dollars (\$2,590,000); and

WHEREAS, the CHA owns the property located at the northwest corner of Pershing Road and State Street, as more fully described on **Exhibit B** attached hereto (the "CHA Property"), and the CHA Property is comprised of approximately 6.48 acres (282,279 square feet); and

WHEREAS, the appraised value of the CHA Property is Two Million Four Hundred Thirty Thousand Dollars (\$2,430,000); and

WHEREAS, the City has undertaken to shift its planned commercial development from south of Pershing Road to the north side of Pershing Road, unto the CHA Property (the "City Project"); and

WHEREAS, the CHA has undertaken to build a mixed-income residential development and shift housing units that were originally slated for delivery on the original Stateway Garden's

footprint and build such housing units upon the City Property and/or in the surrounding community (the "CHA Project"); and

WHEREAS, the City desires to acquire the CHA Property from the CHA, and convey the City Property to the CHA; and

WHEREAS, the CHA desires to acquire the City Property from the City and convey the CHA Property to the City; and

WHEREAS, this transaction will benefit Chicago and its residents by allowing the redevelopment of the CHA Property into a commercial shopping plaza offering enhanced retail options for the neighborhood and by generating additional taxes to fund services provided by the City, providing employment opportunities to neighborhood residents, including current and former CHA residents.

NOW, THEREFORE, in consideration of the foregoing premises and the respective representations, warranties, agreements, covenants and conditions, mutual benefits and detriments herein contained, and other good and valuable consideration, the City and the CHA agree as follows:

1. Transfer of the CHA Property to the City: The CHA agrees to convey by quitclaim deed, and the City agrees to accept, all of the CHA's right, title and interest in the CHA Property on or before the Closing Date as defined in Section 5 hereof and subject to the terms of this Agreement. The City agrees to accept such CHA Property "AS IS."

- (i) Title: The City acknowledges that it has received a commitment for an owner's policy of title insurance for the CHA Property, File Number [____], with an effective date of _____, 201__, issued by [Title Company]. The City shall be solely responsible for and shall pay all costs associated with updating the title commitment or obtaining a new title commitment (including all search, continuation and later-date fees), and obtaining any title insurance and endorsements it deems necessary.
- (ii) Survey: The City shall be responsible for obtaining a survey of the CHA Property at its sole option and expense.
- (iii) Title or Survey Defects: The CHA shall have no obligation to cure title defects; provided, however, if there are exceptions for general real estate taxes due or unpaid prior to the Closing Date with respect to the CHA Property or liens for such unpaid property taxes, the CHA shall ask the County to void the unpaid taxes as provided in Section 21-100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. If, after taking the foregoing actions and diligently pursuing the same, the CHA Property remain subject to any tax liens, or if the CHA Property is encumbered with any other exceptions that would adversely affect the use and insurability of the CHA Property for the development of the City Project, the City shall have the option to terminate this Agreement. If the City does not elect to terminate this Agreement as aforesaid, then the City shall be deemed to have accepted title subject to all exceptions.

- (iv) Delivery of Possession: Possession of the CHA Property shall be delivered on the Closing Date.
- (v) Environmental Conditions: If at any time prior to the Closing Date, the City determines, in its sole discretion, that the environmental condition of the CHA Property is unacceptable, the City may terminate this Agreement and shall have no obligation to convey the City Property or accept the CHA Property. In the event that the City elects to accept the CHA Property, then the CHA shall have no responsibility to remediate such CHA Property. If the transfer of the Properties does occur, the City shall be responsible to ensure that the mitigation measures and conditions identified in a HUD approved 24 CFR Part 58 environmental review record will be implemented.
- (vi) Recording Costs: The City shall pay to record the deed, this Agreement and any other documents incident to the conveyance of the CHA Property to the City.

2. HUD approvals. The transfer of the CHA Property to the City is contingent upon: (i) the submission of any necessary application by CHA to HUD to dispose of all or any portion of the CHA Property, and CHA's receipt of HUD's written approval of the disposition, and (ii) HUD approval of the transfer of the City Property.

3. Transfer of the City Property to CHA. The City agrees to convey by quitclaim deed, and the CHA agrees to accept, all of the City's right, title and interest in the City Property on or before the Closing Date as defined in Section 5 hereof and subject to the terms of this Agreement. The CHA agrees to accept the City Property "AS IS."

- (i) Title: The CHA acknowledges that it has received a commitment for an owner's policy of title insurance for the City Property, File Number [____], with an effective date of _____, 201__, issued by [Title Company]. The City shall be solely responsible for and shall pay all costs associated with updating the title commitment or obtaining a new title commitment (including all search, continuation and later-date fees). The CHA shall be responsible for obtaining any title insurance and endorsements it deems necessary
- (ii) Survey: The CHA shall be responsible for obtaining a survey of the City Property at its sole option and expense.
- (iii) Title or Survey Defects: The City shall have no obligation to cure title defects; provided, however, if there are exceptions for general real estate taxes due or unpaid prior to the Closing Date with respect to the City Property or liens for such unpaid property taxes, the City shall ask the County to void the unpaid taxes as provided in Section 21-100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. If, after taking the foregoing actions and diligently pursuing the same, the City Property remain subject to any tax liens, or if the City Property is encumbered with any other exceptions that would adversely affect the use and insurability of the City Property for the development of the CHA Project, the CHA shall have the option to terminate this Agreement. If the CHA does not elect to terminate this Agreement as aforesaid, then the CHA shall be deemed to have accepted title subject to all exceptions.

- (iv) Delivery of Possession: Possession of the City Property shall be delivered on the Closing Date.
- (v) Environmental Conditions: If at any time prior to the Closing Date, the CHA determines, in its sole discretion, that the environmental conditions of the City Property are unacceptable, the CHA may terminate this Agreement and shall have no obligation to convey the CHA Property or accept the City Property. In the event that the CHA elects to accept the City Property, then the City shall have no responsibility to remediate such City Property. If the transfer of the Properties does occur, CHA shall be responsible to ensure that the mitigation measures and conditions identified in a HUD approved 24 CFR Part 58 environmental review record will be implemented.
- (vi) Recording Costs: The City shall pay to record the deed, this Agreement and any other documents incident to the conveyance of the City Property to the CHA.

4. HUD approvals. The acquisition of the City Property by the CHA is contingent upon: (i) the submission of any necessary application by CHA to HUD to acquire all or any portion of the City Property, and CHA's receipt of HUD's written approval of the acquisition and (ii) HUD approval of the transfer of the City Property. The CHA has submitted its application for acquisition to HUD.

5. Closing Date: All land transfers contemplated herein will occur simultaneously on the Closing Date, unless both Parties agree to separate closing dates. The Closing Date shall be a date agreed upon by the Parties, but shall in any event occur within twenty (20) business days following CHA's receipt of HUD approval of the transfer of the CHA Property and the City Property, or as mutually agreed to by the Parties (the "Closing Date"). The Parties may, but shall not be obligated to, transfer the land covered by this Agreement non-simultaneously, upon schedules mutually agreeable. However, in the event a Party conveys its property prior in time to the other Party, nothing shall release the Party who has not yet conveyed from its obligations to convey hereunder, it being understood that the consideration for this Agreement is the transfer of all parcels contemplated hereunder. Prior to the Closing Date, each Party will provide the deliverables set forth above. On the Closing Date, each Party will provide, or cause to be provided, their respective quitclaim deeds.

6. Right of Entry: Each Party hereby grants the other Party, and their contractors, a non-exclusive thirty (30) day right of entry to perform reasonable investigations and inspections of the properties covered by this Agreement no later than 45 days prior to the Closing Date, provided that no Party shall have any obligation to perform such investigations under this Agreement. Prior to exercising such right of entry, the Party requesting such entry (the "Grantee") shall provide, or shall require and cause its contractor(s) to provide to the Party providing access (the "Grantor") (i) insurance reasonably acceptable to the respective Grantor (naming the Grantor as an additional insured and loss payee as requested) as a condition to entering the site, to protect the Party granting access from losses, claims, damages, including property damages and death, arising out of or resulting from the conduct or activities of such contractor or other person at the site. Each Party hereby releases the other from any claims, liabilities, costs, or expenses incurred as a result of its activities or presence on the site. The Grantee agrees that it will assure that (a) all necessary permits and licenses are obtained, maintained, and appropriately displayed, and (b) the site is restored and that any equipment or materials are removed prior to termination. The Grantee shall keep the premises free and clear

from liens arising from its activities on the site. All such activities shall be conducted in compliance with applicable laws, including the environmental laws and any IEPA filings, if applicable.

7. Indemnification:

- (i) The CHA agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) (collectively "Losses") suffered or incurred by the CHA arising from or in connection with: (1) the failure of the CHA or any of CHA's contractors, subcontractors or agents to pay contractors, subcontractors or material suppliers in connection with the construction of the CHA Project; (2) the failure of the CHA to redress any misrepresentations or omissions in this Agreement or any other agreement relating hereto; and (3) any actions, resulting from any activity undertaken by the CHA on the Property prior to or after the conveyance of the City Property to the CHA by the City; provided, however, the CHA shall have no obligation to indemnify the City for Losses to the extent such Losses are caused by the City or its agents. This indemnification shall survive any termination of this Agreement (regardless of the reason for such termination).

- (ii) The City agrees to indemnify, defend and hold the CHA harmless from and against any Losses suffered or incurred by the City arising from or in connection with: (1) the failure of the City or any of City's contractors, subcontractors or agents to pay contractors, subcontractors or material suppliers in connection with the construction of the City Project; (2) the failure of the City to redress any misrepresentations or omissions in this Agreement or any other agreement relating hereto; and (3) any actions resulting from any activity undertaken by the City on the CHA Property prior to or after the conveyance of the CHA Property to the City by the CHA; provided, however, the City shall have no obligation to indemnify the CHA for Losses to the extent such Losses are caused by the CHA or its agents. This indemnification shall survive any termination of this Agreement (regardless of the reason for such termination).

8. Notices: All notices and communications concerning this Agreement shall be sent as follows:

If to the CHA:

Chicago Housing Authority
60 E. Van Buren, 12th Floor
Chicago, Illinois 60605
Attn: Chief Executive Officer

With a copy to:

Chicago Housing Authority
Office of the General Counsel
60 E. Van Buren, 12th Floor
Chicago, Illinois 60605
Attn: Chief Legal Officer

If to the City:

Department of Planning and Development
City of Chicago
121 North LaSalle Street
Room 1000, City Hall
Chicago, Illinois 60602
Attn: Commissioner

With a copy to:

City of Chicago
Department of Law
121 North LaSalle Street
Room 600, City Hall
Chicago, Illinois 60602
Attn: Deputy Corporation Counsel
Real Estate and Land Use Division

Unless otherwise specified, any notice, demand, communication or request required hereunder shall be given in writing at the addresses set forth above and shall be effective (a) if given by personal service, upon delivery, (b) if sent by overnight courier, effective on the business day after delivery to such courier, or (c) if sent by registered or certified mail, return receipt requested, effective three (3) business days after mailing. The notice address for a Party may be changed by giving notice in the manner in this Section.

8. Amendment. No changes, amendments, modifications or discharge of this Agreement, or any part hereof, shall be valid unless in writing and signed by the authorized officer(s) of the City and the CHA or their respective successors and assigns.

9. Assignment. Except as set forth in this Agreement, neither the City nor the CHA shall assign, delegate or otherwise transfer all or any part of their rights or obligations under this Agreement, or any part hereof, unless as approved in writing by the other Parties. The absence of written consent shall void the attempted assignment, delegation or transfer and shall render it of no effect.

10. No Third Party Beneficiary. This Agreement is for the sole and exclusive benefit of the City and the CHA and their respective successors and assigns.

11. No Joint Venture. Nothing contained in this Agreement may be construed to create or imply any partnership, joint venture or other association between the City, the CHA and /or HUD.

12. Headings. The section headings contained herein are for convenience only and are not intended to limit, expand or modify the provisions of such sections.

13. Non-liability of Public Officials. No official, employee, agent or elected or appointed representative of the City or of the CHA shall be charged personally by the other Party with any liability or expense of defense or be held personally liable under any term or provision of this Agreement or because of City's or the CHA's execution or attempted execution or because of any breach hereof.

14. Counterparts. This Agreement is comprised of two or more identical counterparts, each of which may be fully executed by the Parties and, executed, will be deemed an original having identical legal effect.

15. Authority. The persons signing this Agreement certify that they have the power and authority to enter into and execute this Agreement.

16. Severability. If any provision of this Agreement, or any paragraph, sentence, clause, phrase word or the application thereof, in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

17. Governing Law. This Agreement shall be governed by and construed in accordance with Illinois law, without regard to its conflicts of law principles.

18. Entire Agreement. This Agreement, and the exhibits attached and incorporated hereby, shall constitute the entire Agreement between the Parties and no other warranties, inducements, considerations, promises or interpretations, which are not expressly addressed herein, shall be implied or impressed upon this Agreement.

19. Authority. The mutual conveyances and acceptance of the conveyances are authorized under the Local Government Property Transfer Act and/or the Housing Cooperation Act.

20. Exempt Status. The Parties acknowledge that to the extent any of the properties conveyed hereunder were exempt from property taxes on the date of transfer, the basis for such exemption may no longer apply upon transfer of title, and that the transferred land may not continue as exempt unless a new exempt application is submitted by the respective transferee and approved by the tax authorities.

21. Termination. This Agreement shall commence as of the date of execution and shall terminate on the Closing Date or, as mutually agreed, the date on which the transfer of the last property is closed (unless sooner terminated in accordance with this Agreement) upon which any contractual responsibilities to the other Party shall terminate.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this Intergovernmental Agreement to be made, executed and delivered as of the day and year first above written.

CITY OF CHICAGO, by and through its
Department of Planning and Development

By: _____
David L. Reifman
Commissioner

CHICAGO HOUSING AUTHORITY,
an Illinois municipal corporation

By: _____
Eugene E. Jones, Jr.
Chief Executive Officer

EXHIBIT A

LEGAL DESCRIPTION OF THE CITY PROPERTY

(subject to final commitment and survey)

ALL OF BLOCKS 1,2 AND 3, IN RAWSON'S AND ACKERLY'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JULY, 20, 1869 AS DOCUMENT NUMBER 19848, LYING NORTH AND EAST OF THE ELEVATED RAILROAD STRUCTURE ALONG THE WEST SIDE OF SAID BLOCK 3, AND SOUTH SIDES OF SAID BLOCKS 1, 2 AND 3, AS IT EXISTS ON JANUARY 30, 2019, AND ALSO ALL THAT PART OF DEARBORN STREET, FEDERAL AVENUE AND THE ALLEYS WITHIN SAID BLOCKS AND LYING ADJACENT TO SAID BLOCKS, EXCEPTING THEREFROM, ALL THAT PART OF BLOCK 1, INCLUDING THE 14 FOOT ALLEY, LYING NORTH OF THE SOUTH LINES OF LOTS 17 AND 32, IN COOK COUNTY, ILLINOIS.

PIN: 20-04-205-002-0000
Commonly known as: 3942 S. Federal St.

PIN: 20-04-205-004-0000
Commonly Known as: 3900 S. Federal St.

PIN: 20-04-206-039-0000
Commonly Known As: 3936 S. Dearborn St.

PIN: 20-04-206-040-0000
Commonly Known As: 3935 S. Dearborn St.

PIN: 20-04-206-041-0000
Commonly Known As: 3947 S. Dearborn St.

PIN: 20-04-207-049-0000
Commonly Known As: 3955 S. Dearborn St.

EXHIBIT B

LEGAL DESCRIPTION OF THE CHA PROPERTY

(subject to final commitment and survey)

LEGAL DESCRIPTION PARCEL 1

PIN NO. 17-33-417-048,

LOTS 18 THROUGH 31 IN BLOCK 1 IN THE SUBDIVISION OF BLOCK 32 AND THE EAST 68 FEET OF BLOCK 31 OF CANAL TRUSTEE'S SUBDIVISION OF SECTION 33, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND ALSO STREETS AND ALLEYS WITHIN AND ADJACENT TO SAID BLOCK 1 LYING SOUTH OF THE NORTH LINES OF SAID LOTS 18 AND 31 EXTENDED, AS VACATED BY ORDINANCE RECORDED AUGUST 1, 1956 AS DOCUMENT NUMBER 16656505, AND VACATED BY ORDINANCE RECORDED MAY 18, 1956 AS DOCUMENT NUMBER 16584962, EXCEPTING THEREFROM THAT PART OF S. DEARBORN STREET DEDICATED IN STATEWAY GARDENS PHASE II-B, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 3, 2012 AS DOCUMENT NUMBER 1233829122, AND ALSO EXCEPTING THEREFROM THAT PART OF W. 38TH STREET, AND S. DEARBORN STREET DEDICATED BY DEDICATION RECORDED AUGUST 1, 1956 AS DOCUMENT NUMBER 16656506, AND ALSO EXCEPTING THE SOUTH HALF OF SAID W. 38TH STREET, IN COOK COUNTY, ILLINOIS.

Said parcel containing 1.241 acres (54,075 sq.ft.), more or less.

LEGAL DESCRIPTION PARCEL 2

PIN NOS. 17-33-420-049, 17-33-419-052, 17-33-416-050, 17-33-416-049, 17-33-415-045

BLOCKS 3, 4 AND 5 IN THE SUBDIVISION OF BLOCK 32 AND THE EAST 68 FEET OF BLOCK 31 OF CANAL TRUSTEE'S SUBDIVISION OF SECTION 33, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND ALSO STREETS AND ALLEYS WITHIN AND ADJACENT TO SAID BLOCKS VACATED BY ORDINANCE RECORDED AUGUST 1, 1956 AS DOCUMENT NUMBER 16656505, AND ALSO THAT PART OF LOT 1 IN STATEWAY GARDENS PHASE II-B, LYING SOUTH OF THE SOUTH LINE OF THE NORTH 100.00 FEET OF LOT 5 IN SAID STATEWAY GARDENS PHASE II-B EXTENDED WEST, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 3, 2012 AS DOCUMENT NUMBER 1233829122, EXCEPTING THEREFROM THAT PART OF 38TH STREET, S DEARBORN STREET AND A 26 FOOT WIDE ALLEY DEDICATION RECORDED AUGUST 1, 1956 AS DOCUMENT NUMBER 16656506, AND ALSO EXCEPTING LOTS 1, 2 AND 3 IN BLOCK 5 OF SAID SUBDIVISION OF BLOCK 32 AND THE EAST 68 FEET OF BLOCK 31 OF CANAL TRUSTEE'S SUBDIVISION, AND ALSO EXCEPTING THAT PART OF S. FEDERAL STREET DEDICATION RECORDED AUGUST 1, 1956 AS DOCUMENT NUMBER 16656506, IN COOK COUNTY, ILLINOIS.

Said parcel containing 4.824 acres (210,141 sq. ft.), more or less.

LEGAL DESCRIPTION PARCEL 3

PIN NO. 17-33-416-054,

LOT 5, EXCEPT THE NORTH 100.00 FEET, IN STATEWAY GARDENS PHASE II-B, IN SECTION 33, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 3, 2012 AS DOCUMENT NUMBER 1233829122, IN COOK COUNTY, ILLINOIS.

Said parcel containing 0.415 acres (18,063 sq.ft.) more or less.