



Office of the City Clerk

City Hall
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Chicago, IL 60602
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Legislation Details (With Text)

File #: O2018-2341

Type: Ordinance **Status:** Passed

File created: 3/28/2018 **In control:** City Council

Final action: 4/18/2018

Title: Reallocation of unused 2018 City bond volume cap for Chicago Housing Authority for rehabilitation and equipping of affordable housing at 6400 N Sheridan Rd

Sponsors: Emanuel, Rahm

Indexes: BONDS & BOND ISSUES

Attachments: 1. O2018-2341 (V1).pdf, 2. O2018-2341.pdf

Date	Ver.	Action By	Action	Result
4/26/2018	1	Office of the Mayor	Signed by Mayor	
4/18/2018	1	City Council	Passed	Pass
4/16/2018	1	Committee on Finance	Recommended to Pass	
3/28/2018	1	City Council	Referred	

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 to 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, pursuant to Section 146 of the Internal Revenue Code of 1986, as amended, the City, as a constitutional home rule city, is allocated a certain amount of volume cap per calendar year in connection with the issuance of tax-exempt bonds by the City; and

WHEREAS, the Illinois Private Activity Bond Allocation Act, 30 ILCS 345/1 et seq., as amended, provides, among other things, that the corporate authorities of any home rule unit may reallocate all or any portion of its unused allocation of volume cap; and

WHEREAS, the City has available unused volume cap from calendar year 2018 ("2018 Cap"); and

WHEREAS, the Chicago Housing Authority (the "CHA"), an Illinois municipal corporation, desires to issue up to \$35,000,000 of tax-exempt multi-family housing revenue bonds (the "Bonds") to finance a portion of the costs of rehabilitation and equipping of an affordable housing development located at 6400 N. Sheridan Road in the City (the "Property"), which consists of approximately 449 residential rental dwelling units for low-income senior families (the "Project") to be owned by Caroline Hedger Senior Housing LP, an Illinois limited partnership (the "Owner"), the general partner of which is Caroline Hedger Housing Development, LLC, an Illinois limited liability company, the sole member of which is Chicago Housing Administration, LLC, an Illinois

limited liability company, the sole member of which is the Chicago Housing Authority, an Illinois municipal corporation, and has been advised by its bond counsel that all or a portion of the Bonds requires the allocation of volume cap; and

WHEREAS, the CHA has requested that the City reallocate a portion of its unused 2018 Cap, if available, pursuant to an intergovernmental agreement between the City and the CHA for that purpose; and

WHEREAS, it is anticipated that (i) the Owner will be eligible to claim low income housing tax credits (the "Tax Credits") pursuant to Section 42 of the Internal Revenue Code of 1986, in connection with the Project, and (ii) the Tax Credits for the Project will be administered by the City's Department of Planning and Development; and

WHEREAS, this ordinance now sets forth the request for City Council's authorization of the reallocation to the CHA of a portion of its unused 2018 Cap in 2018, if available; 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 hereby authorizes the Chief Financial Officer of the City appointed by the Mayor or, if there is no such officer then holding said office, the City Comptroller (such officer being referred to herein as the "Chief Financial Officer"), to reallocate, effective on the date of issuance of the Bonds, up to \$35,000,000 of the City's unused 2018 Cap (the "2018 Reallocation") for application by the CHA to the Bonds; provided that if the Bonds are not issued as of or prior to 11:00 P.M. on December 31, 2018, the 2018 Reallocation shall not be made. The exact amount of the 2018 Reallocation shall be determined by the Chief Financial Officer based on the best interests of the City and on the amount of 2018 Cap available at the time of the 2018 Reallocation. Any compensation paid to the City shall be used for any affordable housing-related activities of the City. After the 2018 Reallocation has been made, the Chief Financial Officer shall file a certificate with the City Clerk stating the amount of 2018 Cap, if applicable, reallocated to the CHA pursuant to this ordinance.

SECTION 3. The Chief Financial Officer is hereby authorized, subject to the approval of the Corporation Counsel, to enter into such agreements and other documents, including agreements with the CHA, in connection with the 2018 Reallocation as shall be deemed necessary or desirable by the Chief Financial Officer.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago (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 2-45-110 of the Municipal Code shall not apply to the Project or the Property.

SECTION 5. This ordinance shall be effective as of the date of its passage and approval.

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OFFICE OF THE MAYOR

RAHM EMANUEL MAYOR

CITY OF CHICAGO

March 28, 2018

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 a ceding of tax exempt volume cap to the Chicago Housing Authority.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

CHICAGO April 18, 2018

To the President and Members of the City Council:

Your Committee on Finance having had under consideration an ordinance authorizing the approval of a transfer

of tax-exempt bond cap from the City of Chicago to the Chicago Housing Authority.

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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)**

Respectfully submitted

//

Chairman

Approved Approved