

five story building containing eighty-nine (89) affordable rental units for independent seniors age 62 and over (the "Project"); and

WHEREAS, by Resolution No. 10-CDC-71, adopted on November 9, 2010, the Community Development Commission authorized the Department of Housing and Economic Development ("DHED") to advertise its intention to enter into a negotiated sale with the Developer for the redevelopment of the Property consistent with the Plan, and approved DHED's request to advertise for alternative proposals; and

WHEREAS, public notices advertising DHED's intent to enter into a negotiated sale of the Property with the Developer and requesting alternative proposals appeared in the Chicago Sun-Times on November 26, December 2, 2010 and December 16, 2010; and

WHEREAS, no alternative proposals were received by the deadline indicated in the aforesaid notices; and

WHEREAS, the City has certain funds available from a variety of funding sources ("Multi-Family Program Funds") to make loans and grants for the development of multi-family residential housing to increase the number of families served with decent, safe, sanitary and affordable housing and to expand the long-term supply of affordable housing, and such Multi-Family Program Funds are administered by DHED; and

WHEREAS, DHED has preliminarily reviewed and approved the making of a loan to the Developer in an amount not to exceed \$3,007,946 (the "Loan"), to be funded from Multi-Family Program Funds pursuant to the terms and conditions set forth in Exhibit B attached hereto and made a part hereof; 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. Upon the approval and availability of the Additional Financing as shown in Exhibit B hereto, the Commissioner of DHED (the "Commissioner") and a designee of the Commissioner (collectively, the "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Loan. The Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Loan which do not substantially modify the terms described in Exhibit B hereto. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the Loan to the Developer.

SECTION 3. Section 2-45-110 of the Municipal Code of Chicago shall not apply to the Project or the Property.

SECTION 4. The sale of the Property to the Developer for the fair market value amount of One Million One Hundred Thousand and No/100 Dollars (\$1,100,000.00) is hereby approved.

SECTION 5. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed conveying the Property to the Developer.

(i) Such deed shall state that the City makes no covenant, representation or warranty as to

the soil or environmental condition of the Property or the suitability of the Property for any purpose whatsoever, and the Developer agrees to accept the Property "as is". If after the closing of the City's conveyance of the Property to the Developer, the soil or environmental condition of the Property is not in all respects entirely suitable for the use to which the Property is to be utilized, it shall be the sole responsibility and obligation of the Developer to take such action as is necessary to put the Property in a condition suitable for such intended use. The Developer agrees to release and indemnify the City from any claims and liabilities relating to or arising from the environmental condition of the Property (including, without limitation, claims under CERCLA) and to undertake and discharge all liabilities of the City arising from any environmental condition which existed on the Property prior to the closing.

(ii) The Authorized Officer is authorized, subject to approval by the Corporation Counsel, to

enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the cancellation of any indebtedness currently secured by a mortgage or similar instrument on the Property and the release of any such mortgage or similar instrument.

SECTION 6. 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 7. This ordinance shall take effect immediately upon its passage and approval.

Exhibit A: Legal Description
Exhibit B: Terms and Conditions of the Loan

EXHIBIT A LEGAL DESCRIPTION

(subject to final title commitment and survey)

To come

PIN:
Commonly known as:
To come
6730-6810 South Keating Avenue, Chicago, Illinois

EXHIBIT B

TERMS AND CONDITIONS OF THE LOAN

DEVELOPER: Senior Suites Chicago Midway Village, LLC, an Illinois limited liability company (the "Developer"), of which Senior Suites Chicago Corporation, an Illinois corporation, is the sole member (the "Member"), and others to be hereafter selected as additional members

Construction of a building located at 6730-6810 South Keating Avenue, Chicago, Illinois (the "Property") and of approximately 89 dwelling units contained therein as studio, one-, and two-bedroom units for low- and moderate-income senior citizens and approximately 55 on-site parking spaces

Source:

Amount:

Term:

Interest:

Security:

Multi-Family Program Funds

Not to exceed \$3,007,946

Not to exceed 32 years

Not to exceed three percent per annum

Non-recourse loan; second mortgage on the Property

ADDITIONAL FINANCING:

Amount:

Term:

Source:

Interest: Security:

Low-Income

Housing Tax

Credit

("LIHTC")

Proceeds:

Source:

Not to exceed \$1,750,000 Not to exceed 32 years

Harris N.A., or another entity acceptable to the Authorized Officer

Not to exceed 12 percent per annum Non-recourse loan; first mortgage on the Property

Approximately \$13,128,760

To be derived from the syndication of \$1,371,287 LIHTC allocation by the City

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**CHICAGO October 3, 2012 To the
President and Members of the City Council: Your Committee on Finance having had
under consideration**

A substitutej ordinance authorizing ^{me} City to enter into and execute a Loan Agreement with Senior Suites Chicago Midway Village, LLC and to authorize the conveyance of real property.

02012-5661 Amount of

Loan
not to exceed: \$3,007,946

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)T**

Alderman Edward M. Burke abstained from voting on this item pursuant to Rule 14.

Respectfully submitted

(signed ^ ^0

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Chairman

Document No.

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