



Office of the City Clerk

City Hall
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Legislation Details (With Text)

File #: O2016-3325
Type: Ordinance **Status:** Passed
File created: 4/13/2016 **In control:** City Council
Final action: 5/18/2016
Title: Restructuring of City loans for Senior Suites Chicago Corp.
Sponsors: Emanuel, Rahm
Indexes: Loan & Security
Attachments: 1. O2016-3325.pdf, 2. O2016-3325 (V1).pdf

Date	Ver.	Action By	Action	Result
5/31/2016	1	City Council	Signed by Mayor	
5/18/2016	1	City Council	Passed	Pass
5/16/2016	1	Committee on Finance	Recommended to Pass	Pass
4/13/2016	1	City Council	Referred	

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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 ordinances (each an "Ordinance") enacted by the City Council of the City (the "City Council") on the dates listed in Exhibit A hereto and published in the Journal of Proceedings of the City Council for such dates at the pages listed on Exhibit A hereto, the City has previously made certain loans (the "City Loans") in the original principal amounts listed in Exhibit A hereto to certain affiliates of Senior Suites Chicago Corporation, an Illinois corporation ("Senior Suites") (such affiliates of Senior Suites, the "Borrowers"), for the acquisition and/or construction of apartment buildings located at the addresses listed in Exhibit A hereto and of dwelling units contained therein for low- and moderate-income senior citizens (the "Projects"); and

WHEREAS, the City Loans are secured by the junior mortgages on the Projects listed in Exhibit A hereto (the "City Mortgages"); and

WHEREAS, the Department of Planning and Development ("DPD") has approved restructurings of the City Loans (the "Restructurings") in a manner which: (1) will not alter the principal amount of the City Loans, (2) will not alter the interest rates on the principal balances of the City Loans, (3) will alter the maturity dates of certain of the City Loans, (4) will alter the repayment

terms of certain of the City Loans, and (5) will either (a) subordinate certain of the City Mortgages to any liens which will secure the new senior loan to Senior Suites and/or the Borrowers described in Exhibit B hereto (the "New Senior Loan"), or (b) consent to the repayment of the existing senior mortgages on certain of the Projects with the proceeds of the New Senior Loan without a concomitant acceleration of the maturity date of the applicable City Loans (items 1 through 5, collectively, the "Material Terms"); now, therefore,

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

SECTION 1. The recitals above and the exhibits below are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Restructurings are hereby approved as described above. The Commissioner of DPD (the "Commissioner") or a designee of the Commissioner, are each hereby authorized, subject to approval by the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Restructurings which do not substantially modify the Material Terms as described herein. The Commissioner, or a designee of the Commissioner, 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 Restructurings. The Commissioner or a designee of the Commissioner 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 any future restructurings of the City Loans, which do not

EXHIBIT A, THE CITY LOANS

Ordinance Date and Journal Pages	Borrower	Project Address	Original Principal Amount	Mortgage Recorded Date & Number
05/04/1994 Pages 49301 to 49304	Senior Suites Chicago Grand Limited Partnership	6037-45 West Grand	\$3,656,563	07/06/1994 #94585945
08/03/1994 Pages 53961 to 53966	Senior Suites Chicago Gage Limited Partnership	3244 West 59 th	\$3,755,557	09/02/1994 #94777546
12/21/1994 Pages 63447 to 63452	Senior Suites Chicago South Shore Limited Partnership	2345 East 67 ^m 6711 South Oglesby	\$4,834,718	03/09/1995 #95158683
07/13/1995 Pages 4290 to 4296	Senior Suites Chicago Central Station, Limited Partnership	1400-12 South Indiana	\$5,095,137	08/29/1995 #95571180
05/14/1997 Pages 43710 to 43715	Senior Suite Chicago Ravenswood Manor, Limited Partnership	2800-14 West ' Montrose	\$3,713,097	07/21/1997 #97524978
10/28/1997 Pages 54131 to 54135	Senior Suites Chicago Austin, Limited Partnership	335-37 North Menard 5721-37 West Corcoran	\$3,987,785	12/22/1997 #97959796

12/02/1998 Pages 85690 to 85696	Senior Suites Chicago Garfield Ridge, Limited Partnership	5839-55 South Harlem	\$3,514,109	12/31/1998 #08191650
09/29/1999 Pages 11388 to 11395	Senior Suites Chicago Washington Heights, Limited Partnership	840-52 West 103rd	\$2,266,823	12/06/1999 #09134080

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EXHIBIT B, THE NEW SENIOR LOAN

Amount: Not to exceed \$6,700,000
Term: Not to exceed ten years
Source: Enterprise Mortgage Investments, LLC, a Maryland limited liability company
Interest: Not to exceed 6%
Security: First mortgage or mortgages on some or all of the Projects

substantially modify the Material Terms.

SECTION 3. Notwithstanding anything to the contrary contained in the Municipal Code of Chicago (the "Municipal Code") or any other ordinance or mayoral executive order, no parties other than the Borrowers, any legal entities which are direct owners in excess of 7.5% of the Borrowers which have changed in connection with the Restructurings, and all legal entities which constitute the direct or indirect controlling parties of the Borrowers (as determined by the Corporation Counsel), shall be required to provide to the City the document commonly known as the "Economic Disclosure Statement and Affidavit" (or any successor to such document) in connection with the Restructurings.

SECTION 4. 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. Neither Section 2-45-110 nor Section 2-45-115 of the Municipal Code shall apply to the Projects in connection with the Restructurings!

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

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OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

April 13,2016

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 ordinance

authorizing a restructuring of City loans for Senior Suites Chicago Corp.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,