



Office of the City Clerk

City Hall
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Legislation Text

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CHICAGO January 15, 2014

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

An ordinance which would evidence the City's intent to issue City of Chicago Multi-Family Housing Revenue Bonds (Parkside Phase I IB Project).

02013-9443

Amount of Bonds
not to exceed: \$27,000,000

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
of members of the committee with**

(a (viva voce vote"))

dissenting vote(s):

(signed'

Respectfully submitted

Chairman

**Document No.
THE COMMITTEE ON FINANCE**

**REPORT OF
TO THE CITY COUNCIL
CITY OF CHICAGO**

**I
OFFICE OF THE MAYOR
CITY OF CHICAGO**

RAHM EMANUEL
MAYOR

December 11, 2013

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

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith an ordinance authorizing an issuance of Housing Revenue Bonds for Parkside Entities.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

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 for 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, Parkside Phase MB, LP, an Illinois limited partnership (the "Borrower"), the sole general partner of which is Parkside IIB, LLC, an Illinois limited liability company, has proposed a certain low-income housing development project consisting of the acquisition of real property, construction, and equipping thereon of two buildings comprised of a total of approximately 95 residential dwelling units, located at 461-67 West Division Street and 1100 North Cleveland Avenue, in the City and currently expected to be known as Parkside Phase IIB (the "Project"); and

WHEREAS, the Borrower has requested that the City issue multi-family housing revenue bonds, notes or other indebtedness in an amount not to exceed \$27,000,000 (the "Bonds") for the purpose of financing all or a portion of the Project costs; and

WHEREAS, it is intended that the interest on the Bonds will be excluded from gross income for federal income tax purposes; and

WHEREAS, it is intended that this ordinance shall constitute a declaration of intent to reimburse certain eligible expenditures for the Project made prior to the issuance of the Bonds from the proceeds of the Bonds (if and when issued) within the meaning of Section 1.150-2 of the Treasury Regulations promulgated under the Internal Revenue Code of 1986, as amended (the "Treasury Regulations"); 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 intends to issue the Bonds and lend the proceeds thereof to the Borrower, or an entity affiliated with or related to the Borrower, for the purpose of financing all or a portion of the Project costs. The maximum principal amount of Bonds which the City intends to issue for the Project will not exceed \$27,000,000.

SECTION 3. Certain costs will be incurred by the Borrower, or an entity affiliated with or related to the

Borrower, in connection with the Project prior to the issuance of the Bonds. The City reasonably expects to reimburse original expenditures (as that term is defined in the Treasury Regulations) incurred within 60 days preceding the adoption of this ordinance with respect to the Project with proceeds of the Bonds.

SECTION 4. The costs to be reimbursed will be paid from funds of the Borrower, or an entity affiliated with or related to the Borrower, which have been allocated to other purposes.

SECTION 5. This ordinance is consistent with the budgetary and financial circumstances of the City. No funds from sources other than the Bonds are, or are reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside by the City for the Project for costs to be paid from the proceeds of the Bonds.

SECTION 6. This ordinance constitutes a declaration of official intent under the Treasury Regulations.

SECTION 7. 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 8. This ordinance shall be effective as of the date of its passage and approval.

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