



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
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Legislation Text

File #: O2018-9957, Version: 1

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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 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 Four II, LP, an Illinois limited partnership (the "Borrower"), the sole general partner of which is Parkside Four II, LLC, an Illinois limited liability company, has proposed a certain low-income housing development project consisting of the acquisition of real property, and the construction and equipping thereon of two- and three-story town homes, walk-ups and a seven-story mid-rise building, all of which shall comprise approximately 134 residential dwelling units, located in the City on various parcels between West Division Street on the north, North Cleveland Avenue on the east, West Oak Street on the south, and North Larrabee Street on the west, and currently expected to be known as Parkside Four Phase 2 (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 Forty-Five Million Dollars (\$45,000,000) (the "Bonds") for the purpose of financing all or a portion of the Project costs, including but not limited to the costs incurred in connection with the issuance of the Bonds and funding certain reserves, if required; 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 official intent to reimburse certain eligible expenditures for the Project made prior to the issuance of the Bonds ("Eligible Project Costs") 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 reasonably expects to issue the Bonds and lend the proceeds thereof ("Bond Proceeds") 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, including but not limited to the costs incurred in connection with the

issuance of the Bonds and funding certain reserves, if required. The maximum principal amount of Bonds which the City intends to issue for the Project will not exceed Forty-Five Million Dollars (\$45,000,000).

SECTION 3. Certain Eligible Project 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 Eligible Project Costs to be reimbursed with Bond Proceeds will be paid initially from funds of the Borrower, or an entity affiliated with or related to the Borrower.

SECTION 5. This ordinance is consistent with the budgetary and financial circumstances of the City. No funds from sources other than the Bond Proceeds 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 Bond Proceeds.

SECTION 6. This ordinance constitutes a declaration of official intent of the City with respect to the Project under Section 1.150-2 of the Treasury Regulations.

SECTION 7. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, 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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OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

December 12, 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 an issuance of tax exempt housing revenue bonds for Parkside Four, Phase II.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

CHICAGO January 23, 2019

To the President and Members of the City Council:

Your Committee on Finance having had under consideration a proposed ordinance concerning the authority to evidence the City's intent to issue City of Chicago Multi-Family Housing Revenue Bonds (Parkside Four, Phase II Project)

02018-9957

Amount of Loan

not to Exceed: \$45,000,000

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)T

Respectfully submitted

(signed)

Chairman