



Office of the City Clerk

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Legislation Details (With Text)

File #: O2019-9419
Type: Ordinance
File created: 12/18/2019
Status: Passed
In control: City Council
Final action: 1/15/2020
Title: Redevelopment tax-exempt bond agreement with Bickerdike Redevelopment Corporation, Rockwell Community Development, Inc. and associated entities for construction of affordable rental housing at 2602-2638 N Emmett St
Sponsors: Lightfoot, Lori E.
Indexes: Redevelopment
Attachments: 1. O2019-9419.pdf, 2. O2019-9419 (V1).pdf

Date	Ver.	Action By	Action	Result
1/21/2020	1	Office of the Mayor	Signed by Mayor	
1/15/2020	1	City Council	Passed	Pass
1/13/2020	1	Committee on Finance	Recommended to Pass	
12/18/2019	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 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, Bickerdike Redevelopment Corporation, an Illinois not-for-profit corporation ("Developer"), through a to-be-formed limited partnership (the "Borrower"), of which either Rockwell Community Development, Inc., an Illinois not-for-profit corporation, or another entity affiliated with, related to, or with overlapping ownership interests in the Developer or Borrower, is anticipated to be the general partner, intends to acquire certain property located generally at 2602-2638 North Emmett Street in the City (the "Property"); and

WHEREAS, Developer has proposed a certain low-income housing development project on the Property consisting of a new construction of one seven-story elevator building and of approximately 100 affordable rental units therein, along with certain common areas, associated parking spaces and other building amenities (the construction and equipping of the real estate and the building, including the residential dwelling units and associated areas in the building, shall be known as the "Project"); and

WHEREAS, Developer has requested that the City issue multi-family housing revenue bonds, notes or other indebtedness in an amount not to exceed \$22,500,000 (the "Bonds") for the purpose of financing 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 ("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 intends to issue the Bonds and lend all or a portion of the proceeds thereof ("Bond Proceeds") to the Borrower, or to another entity affiliated with, related to, or with overlapping ownership interests in the Developer or the Borrower, for

the purpose of financing a portion of the Project costs. The maximum principal amount of Bonds which the City intends to issue for the Project will not exceed \$22,500,000.

SECTION 3. Certain Eligible Project Costs will be incurred by the Borrower and/or its affiliates (including the Developer) in connection with the Project prior to the issuance of the Bonds. The City reasonably expects to reimburse such Eligible Project Costs with Bond Proceeds.

SECTION 4. The Eligible Project Costs to be reimbursed with Bond Proceeds will be paid initially from funds of the Borrower and/or its affiliates, including the Developer.

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

SECTION 6. This ordinance constitutes a declaration of official intent 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 the City, or any 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

LORI E. LIGHTFOOT
MAYOR

December 18, 2019

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

Ladies and Gentlemen:

At the request of the Commissioner of Housing, I transmit herewith an ordinance authorizing an issuance of tax-exempt housing revenue bonds for Emmett Street apartments.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

CHICAGO January 15, 2020 To the President

and Members of the City Council:

Your Committee on Finance having had under consideration an ordinance authorizing the Redevelopment tax-exempt bond agreement with Bickerdike Redevelopment Coiporation, Rockwell Community Development. Inc. and associated entities for construction of affordable rental housing at 2602-2638 N Emmett Street.

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Having had the same under advisement, begs leave to report and recommend that y our Honorable Body pass the proposed

**This recommendation was concurred in by
of members of the committee with dissenting vote(s).**

(a Viva voce vote.

Respectfully submitted,

(signed)_

Chairman