

SUBSTITUTE ORDINANCE

WHEREAS, The City of Chicago (the "City") is a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois authorized to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, Under Section 108 ("Section 108") of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. Section 5308 (the "Act"), and the regulations promulgated under the Act and published at 24 C.F.R. 570.700 (the "Regulations"), the United States Department of Housing and Urban Development ("HUD") is authorized to provide loan guarantee assistance to public entities to fund projects which are eligible under the Act; and

WHEREAS, BR Congress Owner, LLC, an Illinois limited liability company (the "Owner"), is the owner of an approximately one-hundred thirty thousand (130,000) square-foot building located at 2135 North Milwaukee Avenue in Chicago, Illinois (the "Building") that is a City of Chicago Landmark and on the National Register of Historic places and has long been vacant that meets the eligibility criteria for a Section 108 loan guarantee; and

WHEREAS, The Owner proposes to rehabilitate the Building for a mixed-use project consisting of a fully renovated theatre, sixteen affordable residential units and approximately 20,000 square feet of commercial space, including office and workspace for local tenants offered at below market rents (the "Project"); and

WHEREAS, The Project will preserve the Building, create approximately 125 new jobs and contribute to the long-term growth of the real property tax base in the area; and

WHEREAS, The City desires to make an application (the "Application") to HUD under Section 108 for loan guarantee assistance in an amount not to exceed Twenty-Five Million Two Hundred and Fifty Thousand Dollars (\$25,250,000) (the "Section 108 Loan") to be used for the Project pursuant to the terms and conditions set forth in Exhibit A hereto; and

WHEREAS, The Regulations require that, in connection with the filing of the Application, that the City certify to HUD that the City Council has passed an ordinance authorizing the submission of the Application; and

WHEREAS, On August 14, 2025, the City submitted to HUD the City's 2025 Action Plan (the "Action Plan"), which included Year LI Community Development Block Grant ("CDBG") funds as well as other HUD- administered funding sources, and which described, inter alia, the City's plan for the use of CDBG and other funds, as well as the projects the City intends to undertake to fulfill the priorities of the Action Plan; and

WHEREAS, The Regulations require the City to amend the Action Plan to reflect the Section 108 Loan and the Project; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

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

SECTION 2. Either of the Budget Director of the City (the "Budget Director") and the Commissioner of Planning and Development (the "Commissioner") or a designee of the Budget

Director or the Commissioner (each, an "Authorized Officer") are each hereby authorized to submit the Application to HUD for the Section 108 Loan pursuant to the terms set forth in Exhibit A attached hereto and made a part hereof, with such changes or revisions as shall be approved by any Authorized Officer, and execution of the Application shall constitute conclusive evidence of approval of any and all changes or revisions therein.

SECTION 3. Each Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to submit any and all necessary amendments to the Application and any and all understandings and assurances contained in the Application, and to perform any and all acts in connection with the Application in order to provide such additional information as may be required by HUD, the Act or the Regulations.

SECTION 4. Each Authorized Officer is hereby authorized, subject to approval of the Corporation Counsel, to amend the Action Plan in accordance with the requirements set forth in the Regulations to include the Section 108 Loan and the Project by inserting language that describes the Section 108 Loan and Project in a substantially similar manner to the descriptions contained in this ordinance, with such changes, deletions or insertions approved by (i) the Commissioner or their designee or (ii) the Budget Director or their designee.

SECTION 5. To the extent that any ordinance, resolution, 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 be controlling. If any section, paragraph, clause or provision 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 6. This ordinance shall take effect upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit A

Program: HUD Section 108 Loan Guarantee Program

Project: Rehabilitation of a 130,000 square-foot historic building owned by BR Congress Owner, LLC, an Illinois limited liability company (the "Owner"), located at 2135 North Milwaukee Avenue in Chicago, Illinois (the "Building"). The Building is located in the Fullerton/Milwaukee Redevelopment Project Area. The Owner will rehabilitate the Building for a mixed-use project consisting of a fully renovated theatre, sixteen affordable residential units and approximately 30,000 square feet of commercial space, including office and workspace for local tenants offered at below market rents that will contribute to the long-term growth of the real property tax base in the area.

Section 108 Loan:

Amount: Not to exceed \$25,250,000.

Maximum
Repayment
Period: Not to exceed 20 years.

Sources of
Repayment of
The Section
108 Loan: Project revenue, equity and/or financing from the Owner; CDBG entitlement funds.



CITY OF CHICAGO

COMMITTEE ON FINANCE

CITY COUNCIL

CITY HALL - ROOM 302

121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602

ALDERMAN PAT DOWELL
CHAIRMAN

PHONE: 312-744-3380

**January 21, 2026
CHICAGO, ILLINOIS**

TO THE PRESIDENT AND MEMBERS OF THE CITY COUNCIL:

Your Committee on Finance which was referred a substitute ordinance authorizing the submission of the U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Application for the rehabilitation of the property located at **2135 N. Milwaukee Avenue** (Congress Theater).
1st Ward

(SO2025-0021894)

Amount up to: \$25,250,000.

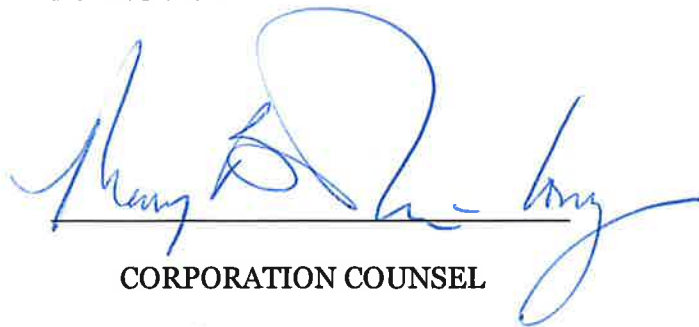
Having the same under advisement, begs leave to report and recommend that Your Honorable Body **Pass** the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present with no dissenting votes on **January 14, 2026**.

(signed)

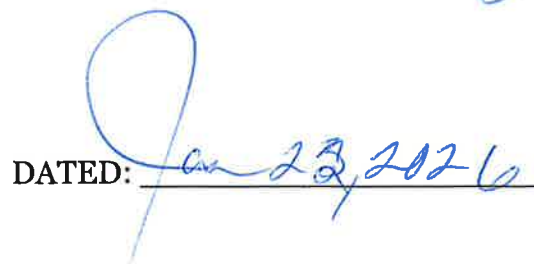
Pat Dowell, Chairman
Committee on Finance

APPROVED


CORPORATION COUNSEL

APPROVED


MAYOR

DATED: 

DATED: 