ORDINANCE

WHEREAS, The City of Chicago ("**City**") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The City, through the foreclosure of demolition liens, tax sales and other methods of acquisition, has acquired title to thousands of parcels of vacant land which are costly to clean up and maintain, do not generate property taxes, and are a detriment to the community; and

WHEREAS, The City has traditionally sold much of its land directly to purchasers after receiving property inquiries, a method which is inefficient, labor-intensive and also lacks transparency; and

WHEREAS, In an effort to attract and reach potential buyers and create a more competitive process, the Department of Planning and Development (the "**Department**") created chiblockbuilder.com ("**ChiBlockBuilder**"), a website-based platform for selling vacant City-owned property with predetermined purchase prices and online application materials; and

WHEREAS, City lots sold through ChiBlockBuilder are offered for sale in different categories of use, such as affordable housing, market rate sales, missing middle-density housing, neighborhood side yards, community open space, and urban agriculture; and

WHEREAS, ChiBlockBuilder allows prospective buyers to view a map of available properties and their associated land use categories online, and apply to purchase lots for targeted purposes; and

WHEREAS, The Department retained the services of CBRE Group, Inc. ("**CBRE**") to provide market value assessments of the available City-owned properties based on comparable sales, and these market value assessments are posted on the ChiBlockBuilder website to establish purchase prices for all properties marketed for sale; and

WHEREAS, The Department offered the property commonly known as 1313 South Talman Avenue, Chicago, Illinois, and legally described on Exhibit A attached hereto (the "**City Lot**"), along with many other City-owned lots, for sale on the ChiBlockBuilder website in five categories: affordable housing, side yards, open space, market rate housing, and commercial development; and

WHEREAS, The Department accepted applications for the City Lot beginning on April 1, 2024, and ending on May 17, 2024 and July 1, 2024 (the "**Application Period**"); and

WHEREAS, A public notice directing prospective applicants to ChiBlockBuilder for listings of City-owned properties for sale during the Application Period was published in the Chicago Tribune on April 1, 8, 15, 22, 29; May 6, 13, 20, 27; and June 3, 10, 17, and 24 of 2024; and

WHEREAS, The Department selected Talman Street LLC ("**Buyer**") for the sale of the City

Lot for the market-rate housing project described on Exhibit A and depicted in the drawings attached hereto and incorporated herein as Exhibit C (the "**Project**"); and

WHEREAS, The names of all other applicants for the City Lot, and a summary of each of their proposals, are set forth on Exhibit B attached hereto; and

WHEREAS, Eligible buyers of City-owned land through ChiBlockBuilder for market-rate housing during the Application Period had to meet the following qualifications: (1) be individuals, non-profit organizations or businesses registered in Illinois, (2) submit a site plan, budget, and program for the project, (3) conform to Neighborhood Design Guidelines, (4) show support from the nearby community for the project, (5) provide an analysis of the impact of the project on the immediate area and surrounding community, (6) be able to pay property taxes on the City Lot and have no outstanding debt with the City, (7) be able to conform with current zoning requirements or secure required zoning approvals and permits, and (8) be able to maintain the City Lot as proposed in the application materials; and

WHEREAS, The Department desires to convey the City Lot to the Buyer subject to a deed restriction requiring the Buyer to construct the Project; and

WHEREAS, the market value assessment of the City Lot, as of October 20, 2024, as determined by CBRE is $10,493.00; and

WHEREAS, The City has agreed to sell the City Lot to the Buyer for $10,493.00 ("**Purchase Price**"); now, therefore

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

SECTION 1. The foregoing recitals, findings and statements of fact are incorporated herein and made a material part of this ordinance.

SECTION 2. The City Council hereby approves the sale of the City Lot in its "as is" condition to the Buyer for the Purchase Price, subject to the Buyer's satisfaction of each of the following conditions precedent to closing (unless waived by the Department in its sole discretion):

(a) Buyer must submit to the Department, and the Department must approve, the final construction plans and specifications for the Project; and

(b) Buyer must obtain all building permits and other required permits and approvals, including zoning approvals if applicable, necessary to construct such Project and submit evidence thereof to the Department.

If Buyer fails to close on the acquisition of the City Lot within six (6) months of the date of passage and approval of this ordinance, then this ordinance will be rendered null and void and of no further effect, unless the Commissioner of the Department ("**Commissioner**"), in the Commissioner's sole discretion, upon a request from Buyer, extends the closing date. Buyer shall pay all escrow fees and other title insurance fees and closing costs.

SECTION 3. The Mayor or the Mayor's proxy is authorized to execute, and the City Clerk or the Deputy City Clerk is authorized to attest, a quitclaim deed ("**Deed**") conveying the City Lot to the Buyer, or to a land trust of which the Buyer is the sole beneficiary, or to an entity of which the Buyer is the sole controlling party or which is comprised of the same principal parties. The Deed shall be in substantially the form set forth in Exhibit D.

SECTION 4. The Commissioner, or a designee of the Commissioner, is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver such documents as may be necessary or appropriate to carry out and comply with the provisions of this ordinance, with such changes, deletions and insertions as shall be approved by the Commissioner or the Commissioner's designee. Such documents may contain terms and provisions that the Commissioner or the Commissioner's designee deems appropriate, including indemnification, releases, affidavits and other documents as may be reasonably necessary to remove exceptions from title with respect to the City Lot or otherwise may be reasonably necessary or appropriate to consummate the transaction contemplated hereby.

SECTION 5. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity of such provision shall not affect any of the other provisions of this ordinance.

SECTION 6. This ordinance shall take effect upon its passage and approval.

Attachments: Exhibit A – Legal Description of City Lot and Project Description
Exhibit B – Competing Proposals for the City Lot
Exhibit C – Project Drawings
Exhibit D – Form of Deed