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 land which are costly to clean up and maintain, do not generate property taxes, and are a detriment to the community; and

WHEREAS, In an effort to reach potential buyers and create a 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 market values and online application materials; and

WHEREAS, ChiBlockBuilder allows prospective buyers to view a map of available properties 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 available City-owned properties based on comparable sales, and these market value assessments are posted on ChiBlockBuilder to establish purchase prices or bidding guidance for all properties marketed for sale; and

WHEREAS, The Department offered the property identified on Exhibit A attached hereto (the "City Property") for sale on ChiBlockBuilder for market rate development during the application period beginning on November 1, 2023, and ending on November 30, 2023 (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 November 2, 9, 16 and 30, 2023; and

WHEREAS, Applicants for properties advertised for market rate development are expected to offer the listed market value or more, though the Department will consider discounted purchase prices for proposals that provide significant public benefits, such as a community or institutional development project; and

WHEREAS, The Department evaluated the applications for the City Property based on a number of factors, including the development team's experience, clarity and financial feasibility of project plans and designs, practicality of project timeline, budget detail, proof of funding, project readiness, purchase price, public benefits of project, community engagement, and consistency of project with neighborhood plans; and

WHEREAS, The Department selected Revere Properties Development, LLC, an Illinois limited liability company ("Buyer") for the sale of the City Property for the construction of a 5-story mixed-use building containing a restaurant/bar, small performance space, 12 live/work condominiums for artists, a rooftop garden, and a large outdoor plaza with a covered patio, as depicted in the drawings attached hereto as Exhibit B (the "Project"); and

WHEREAS, The Department's evaluation of the other applications for the City Property and reasons for selecting the Buyer are summarized on Exhibit C attached hereto; and

WHEREAS, The market value of the City Property as of June 10, 2024, as determined by CBRE, is $511,593; and

WHEREAS, The estimated cost of the Project is $21.5 million; and

WHEREAS, Buyer applied for a grant for the construction of the Project from the City's Community Development Grant program, and received a conditional commitment from the Department in the amount of $5 million; and

WHEREAS, As a condition of grant funding, Buyer or another Buyer Entity (as hereafter defined) will be required to execute a redevelopment agreement including such terms and conditions as the Department may require (the "CRP Redevelopment Agreement"); and

WHEREAS, Section 2-44-085 of the Municipal Code of Chicago (the "Affordable Requirements Ordinance" or the "ARO") obligates the City to impose certain affordability requirements upon developers who develop residential projects that include ten (10) or more dwelling units and that receive City assistance in the form of the sale of City land, financial assistance, or certain zoning approvals; and

WHEREAS, The Project is a "residential project" within the meaning of the ARO, and this land sale triggers the requirements of the ARO; and

WHEREAS, The Project will revitalize a key site at the heart of 47th Street in the Bronzeville neighborhood and will provide significant public benefits; and

WHEREAS, In recognition of the Project's public benefits, the Department has agreed to sell the City Property to the Buyer for One Dollar ($1.00) per tax parcel, resulting in a total purchase price of Five Dollars ($5.00) ("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 Property in its "as is" condition to Buyer, or to an entity of which Buyer is the sole controlling party or which is comprised of the same principal parties, or to an affiliate of Buyer approved by the Department (the "Buyer Entity") for the Purchase Price, subject to the Buyer Entity entering into the CRP Redevelopment Agreement with the City. If the Buyer Entity fails to close on the acquisition of the City Property within 180 days after 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, extends the closing date. The Buyer Entity must 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 in substantially the form attached hereto as Exhibit D (the "Deed"), conveying the City Property to the Buyer Entity, provided the Deed may be modified as necessary to facilitate financing of the Project, subject to review and approval of the Corporation Counsel.

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 and the CRP Redevelopment Agreement, 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 provisions related to indemnification, releases, affidavits and other documents as may be reasonably necessary to remove exceptions from title to the City Property or otherwise may be reasonably necessary or appropriate to consummate the transaction contemplated hereby and in the CRP Redevelopment Agreement.

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 Property
Exhibit B – Project Drawings
Exhibit C – Competing Proposals for the City Property
Exhibit D – Form of Deed