

O R D I N A N C E
Authorization of HUD 108 Loan Application

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 ("H.U.D.") is authorized to provide loan guarantee assistance to public entities to fund projects which are eligible under the Act; and

WHEREAS, BR Congress Owner, L.L.C, 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 Building also is located in a redevelopment project area known as the "Fullerton/Milwaukee" Tax Increment Financing District created by the City Council pursuant to an ordinance adopted on February 16, 2000 and published in the Journal of the Proceedings of the City Council of the City of Chicago for said date at pages 25063 to 25183 and amended by an ordinance adopted by the City Council on May 11, 2005 and published in the Journal of the Proceedings of the City Council of the City of Chicago for said date at pages 47331 to 47471 (the "First Amendment") and by an ordinance adopted by the City Council on July 6, 2011 published in the Journal of the Proceedings of the City Council of the City of Chicago for said date at pages 2076 to 2231 ("Second Amendment") and by an ordinance adopted by the City Council on July 19, 2023 and published in the Journal of the Proceedings of the City Council of the City of Chicago for said date at pages 1688 to 1692;

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 30,000 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 H.U.D. 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 H.U.D. that the City Council has passed an ordinance authorizing the submission of the Application; 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. The Commissioner of the Department of Planning and Development (the "Commissioner") or a designee of the Commissioner are each hereby authorized to submit the Application to H.U.D. for the Section 108 Loan pursuant to the terms set forth in Exhibit A attached hereto and made a part hereof, with such changes as shall be approved by the Commissioner or her designee, and execution of the Application shall constitute conclusive evidence of approval of any and all changes or revisions therein.

SECTION 3. The Commissioner or a designee are each hereby authorized 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 H.U.D., the Act or the Regulations.

SECTION 4. 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 5. This ordinance shall be in full force and effect by and from the date of its passage and approval.



Daniel LaSpata – Alder 1st Ward