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OFFICE OF THE MAYOR
CITY OF CHICAGO

BRANDON JOHNSON
MAYOR

November 15, 2023

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 the execution of a loan modification agreement with ReVive Cressey Center for Housing and Healing, an Illinois not-for-profit corporation.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in blue ink, appearing to be "BJ", with a horizontal line extending to the right.

Mayor

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 and as such may legislate as to matters that pertain to its local government and affairs; and

WHEREAS, the City has determined that the continuance of a shortage of affordable housing for persons of low and moderate income is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, the City has certain funds available from a variety of funding sources ("Multi-Family Program Funds") to make loans and grants for the development of multi-family residential housing to increase the number of families served with decent, safe, sanitary and affordable housing and to expand the long-term supply of affordable housing, and such Multi-Family Program Funds are administered by the City's Department of Housing ("DOH"); and

WHEREAS, pursuant to a Loan Agreement dated February 16, 1996 (the "Loan Agreement"), the City made a loan of Multi-Family Program Funds in the principal amount of \$1,492,474, with an interest rate of zero percent per annum and a term not to exceed 32 years (the "Loan"), to The Cathedral Shelter of Chicago, an Illinois not-for-profit corporation (the "Original Borrower"); and

WHEREAS, the Loan was evidenced by, among other things, that certain Note dated as of February 16, 1996 made by the Original Borrower in favor of the City in the original principal amount of the Loan (the "Note"), and was secured by, among other things, that certain Mortgage, Security Agreement and Financing Statement dated as of February 16, 1996 made by the Original Borrower in favor of the City (the "Mortgage"), and was further supported by that certain Regulatory Agreement executed by the Original Borrower on February 16, 1996 (the "Regulatory Agreement", and together with the Loan Agreement, Note and Mortgage, the "City Loan Documents"); and

WHEREAS, proceeds of the Loan were used to provide for the acquisition and rehabilitation by the Original Borrower of two multi-family residential buildings located generally at 1660-1674 West Ogden Avenue, Chicago, Illinois 60612 (the "Property"); and

WHEREAS, the Original Borrower restructured its organization and transferred the Property and its rights, duties and obligations under the City Loan Documents to its successor 1668 W. OGDEN AVE. LLC, an Illinois limited liability company (the "Replacement Borrower"); and

WHEREAS, the Replacement Borrower desires to finance the rehabilitation of the Property by executing a new mortgage in connection with the Property in favor of Illinois Housing Development Authority (the "IHDA"), or with any other financial institution that is acceptable to the City's Commissioner of Housing (the "New First Mortgage"), and has requested that the City approve a proposed restructuring and assignment of the Loan and the City Loan Documents; and

WHEREAS, DOH desires to approve a restructuring (the "Restructuring") of the Loan and the City Loan Documents in a manner that (1) will not alter the principal balance of the Loan, (2) may extend the maturity date of the Loan, (3) will subordinate the lien of the Mortgage

to the lien of the New First Mortgage, and (4) may amend the Regulatory Agreement and extend the affordability requirements therein for up to an additional 30 years which shall be coterminous with term of affordability in the regulatory agreement between the Replacement Borrower and IHDA (collectively, the "Material Terms"); 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 Restructuring is hereby approved as described above. The Commissioner of Housing or a designee of the Commissioner of Housing (each, an "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Restructuring. Each Authorized Officer is hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments and perform any and all acts as shall be necessary or advisable in connection with any future restructuring of the Loan that does not substantially modify the Material Terms.

SECTION 3. The Authorized Officer is hereby authorized, subject to the approval by the Corporation Counsel to enter into and execute such agreements and instruments and perform any and all acts as shall be necessary or advisable in connection with the assignment of the Loan, as restructured in accordance with the Restructuring, to the Replacement Borrower.

SECTION 4. To the extent that any ordinance, resolution, rule, 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 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 5. This ordinance shall be effective as of the date of its passage and approval.