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**OFFICE OF THE MAYOR
CITY OF CHICAGO**

BRANDON JOHNSON
MAYOR

July 19, 2023

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith ordinances authorizing the negotiated sale of City-owned properties.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "BJ Johnson", written over a horizontal line.

Mayor

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 is the owner of the property located at 4441 S. Ellis Ave., Chicago, Illinois, 60653, which is legally described on Exhibit A and depicted on Exhibit B attached hereto and incorporated herein (the “Property”); and

WHEREAS, Greg and Nina Davis (“Grantees”), submitted a proposal to the Department of Planning and Development (the “Department”) to purchase the Property from the City for the sum of Twenty-Five Thousand and no/100 Dollars (\$25,000.00) (the “Purchase Price”); and

WHEREAS, the Department ordered two appraisals of the Property: one dated April 11, 2022, concluding that the market value of the Property is \$62,000, and the second dated September 26, 2022, concluding that the market value of the Property is \$25,000; and

WHEREAS, DPD determined that the fair market value of the Property should be based on the second appraisal because it (i) is more current, and (ii) reflects the substandard 16 foot wide size of the lot; and

WHEREAS, Grantees own the property located at 4439 S. Ellis Ave. adjacent to the Property (the “Adjacent Property”), and intend to use the Adjacent Property and the Property to construct a single family home, as depicted in the drawings attached hereto and incorporated herein as Exhibit C (the “Project”); and

WHEREAS, by Resolution 23-018-21 adopted on May 18, 2023, the Chicago Plan Commission approved the disposition of the Property; and

WHEREAS, public notice advertising the Department’s intent to enter into a negotiated sale of the Property with Grantees and requesting alternative proposals appeared in the *Chicago Tribune* on February 14, 21, and 28, 2023; and

WHEREAS, no other responsive proposals were received by the deadline set forth in the aforesaid notices; *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 hereby adopted as the findings of the City Council.

SECTION 2. The sale of the Property to Grantees for the Purchase Price is hereby approved, subject to Grantees’ satisfaction of each of the following conditions precedent to closing (unless waived by the Department in its sole discretion):

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

(b) Grantees must obtain all building permits and other required permits and approvals necessary to construct the Project and submit evidence thereof to the Department.

If Grantees fail to close on the acquisition of the Property within three (3) years 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, in the Commissioner's sole discretion, extends the closing date. Grantees shall pay all escrow fees and other title insurance fees and closing costs.

SECTION 3. The Commissioner of the Department, 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 Property or otherwise may be reasonably necessary or appropriate to consummate the transaction contemplated hereby.

SECTION 4. 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 conveying the Property to Grantees, or to a land trust of which Grantees are the sole beneficiary, or to a business entity of which Grantees are the sole controlling party. Without limiting the quitclaim nature of the deed, the conveyance of the Property shall be subject to the following: the standard exceptions in an ALTA title insurance policy; general real estate taxes and any special assessments or other taxes; easements, encroachments, covenants, restrictions and liens of record and not shown of record; such other title defects as may exist; and any and all exceptions caused by the acts of Grantees or their agents. In addition, the deed shall include the following conditions and covenants, in substantially the form set forth below, which are a part of the consideration for the Property and which shall run with the land and be binding upon and enforceable against Grantees and Grantees' successors and assigns:

1. **Covenant to Build Home.** Grantees shall construct a single-family residential building on the Property (the "Project") in accordance with the site plan and elevations previously approved by the Department of Planning and Development ("Department") within eighteen (18) months of the date of this Deed. No material deviation from the previously approved site plan and elevations is permitted without written approval from the Department. If this condition is not met, the City may record a notice of default against the Property and shall have the right to exercise any and all remedies available to it at law or in equity. Upon completion of the Project, Grantees shall submit a written request to the Department for a certificate of completion. If the Department determines that Grantees have completed the Project in accordance with

this covenant, the Department shall provide Grantees with the certificate of completion. The certificate shall be in recordable form and shall, upon recording, constitute a conclusive determination of satisfaction and termination of the covenant in this section.

2. **Historic Contamination of Urban Land.** Grantees acknowledge that soil and groundwater in urban areas, including Chicago, are frequently impacted by historic environmental contamination, such as (a) buried demolition debris containing lead-based paint or asbestos, (b) underground heating oil tanks, (c) off-site migration of chemicals from surrounding property previously or currently used for gas stations, dry cleaners, or other commercial, industrial or manufacturing land uses, (d) unauthorized “fly” dumping, (e) nearby railroad operations, and (f) airborne deposit of lead and other contaminants from historic use of lead gasoline and polluting industrial or manufacturing uses.
3. **As Is,” “Where Is” and “With All Faults” Conveyance.** Grantees acknowledge that Grantees have had an opportunity to inspect the Property, and are relying solely upon Grantees’ own inspection and other due diligence activities in determining whether to acquire the Property, and not upon any information provided by or on behalf of the City with respect thereto. Grantees acknowledge and agree that the Property is being conveyed, and Grantees accept the Property, in its “AS IS,” “WHERE IS” and “WITH ALL FAULTS” condition without any covenant, representation, or warranty, express or implied, of any kind, regarding the physical or environmental condition of the Property or the suitability of the Property for any purpose whatsoever. Grantees acknowledge and agree that Grantees are solely responsible for any investigation and remediation work necessary to put the Property in a condition which is suitable for its intended use.
4. **Release of City.** Grantees, on behalf of Grantees and Grantees’ heirs, successors and assigns, and anyone claiming by, through or under any of them, hereby releases, relinquishes and forever discharges Grantor and its officers, employees, agencies, departments and officials, from and against any and all claims, demands, losses, damages, liabilities, costs and expenses (including, without limitation, reasonable attorney’s fees and court costs) based upon, arising out of or in any way connected with, directly or indirectly, the environmental or physical condition of the Property.

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

SECTION 6. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 7. This ordinance shall be in full force and effect immediately upon its passage and approval.