



OFFICE OF THE MAYOR  
CITY OF CHICAGO

BRANDON JOHNSON  
MAYOR

December 13, 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", 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 Article VII, Section 6(a) of the Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs; and

**WHEREAS**, pursuant to ordinances adopted by the City Council of the City (the "City Council") on February 16, 2000, the City Council: (i) approved a certain redevelopment plan and project (the "Original Redevelopment Plan") for the Central West Tax Increment Financing Redevelopment Project Area (the "Original Redevelopment Area"), pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended, 65 ILCS 5/11-74.4-1 *et seq.* (the "TIF Act"), (ii) designated the Original Redevelopment Area as a redevelopment project area pursuant to the TIF Act; and (iii) adopted tax increment allocation financing pursuant to the TIF Act as a means of financing certain Original Redevelopment Area redevelopment project costs (as defined in the TIF Act) incurred pursuant to the Original Redevelopment Plan; and

**WHEREAS**, the City Council amended the Original Redevelopment Plan and the Original Redevelopment Area by ordinances adopted on March 12, 2008, September 8, 2011, and February 10, 2016 (as amended, the "Redevelopment Plan" and the "Redevelopment Area"); and

**WHEREAS**, the City owns the real property located at 2151 West Adams Street, Chicago, Illinois, 60612, which is located in the Redevelopment Area and is legally described on Exhibit A attached hereto (the "Property"); and

**WHEREAS**, the Property consists of approximately 2,500 square feet and is located in the Near West Side Community Area; and

**WHEREAS**, Sustainabuild LLC – 2149, an Illinois limited liability company ("Grantee"), is the owner of the property located adjacent to the Property at 2149 West Adams Street, as legally described on Exhibit A attached hereto (the "Adjacent Property"); and

**WHEREAS**, Grantee has submitted a proposal to the Department of Planning and Development ("DPD") to purchase the Property for \$80,000.00 (the "Purchase Price") and consolidate it with the Adjacent Property to construct a 3-story, 6-unit multifamily building, with 4 parking spaces, as depicted in the drawings attached hereto and incorporated herein as Exhibit B (the "Project"); and

**WHEREAS**, the Purchase Price represents the appraised fair market value of the Property as of April 5, 2022; and

**WHEREAS**, the Project is consistent with the goals and objectives of the Redevelopment Plan; and

**WHEREAS**, the estimated budget for the Project is \$1.7 million; and

**WHEREAS**, by Resolution No. 23-051-21, adopted on November 16, 2023, the Chicago Plan Commission approved the disposition of the Property; and

**WHEREAS**, by Resolution No. 23-CDC-027, adopted on May 9, 2023, the Community Development Commission authorized DPD to advertise its intent to negotiate a sale of the Property with Grantee and to request alternative proposals for redevelopment, and recommended the sale of the Property to Grantee if no responsive alternative proposals were received at the conclusion of the

advertising period, or, if alternative proposals were received, if DPD determined in its sole discretion that it was in the best interest of the City to proceed with Grantee's proposal; and

**WHEREAS**, public notices advertising DPD's intent to enter into a negotiated sale of the Property with Grantee and requesting alternative proposals appeared in the *Chicago Tribune* on October 31, November 7, and November 14, 2022; and

**WHEREAS**, no other proposals were received by the deadline indicated in the aforesaid notices; 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 part of this ordinance as though fully set forth herein.

**SECTION 2.** The sale of the Property to Grantee or a Related Entity (as defined below) for the Purchase Price is hereby approved, subject to Grantee's satisfaction of each of the following conditions precedent to closing, unless waived by DPD in its sole discretion:

- (a) Grantee must submit to DPD, and DPD must approve, the final construction plans and specifications for the Project.
- (b) Grantee must provide 100% proof of financing to DPD.
- (c) Grantee must obtain all building permits and other required permits and approvals necessary to construct the Project and submit evidence thereof to DPD.
- (d) The City must be named in a reliance letter for all environmental assessment reports associated with the Project.

If Grantee fails to close on the acquisition of the Property within 120 days 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 DPD, in the Commissioner's sole discretion, extends the closing date. Grantee shall pay all escrow fees and other title insurance fees and closing costs associated with the conveyance of the Property.

**SECTION 3.** The Commissioner of DPD, 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 agreements and instruments and take such other actions as may be necessary or appropriate to carry out and comply with the provisions of this ordinance, including, without limitation, indemnification, releases, affidavits and other documents to remove exceptions from title or otherwise consummate the transaction contemplated hereby.

**SECTION 4.** The Mayor or the Mayor's proxy is each hereby authorized to execute, and the City Clerk or the Deputy City Clerk is each hereby authorized to attest, a quitclaim deed ("Deed") conveying the Property to Grantee, or to a land trust of which Grantee is the sole beneficiary, or to an entity of which Grantee is the sole controlling party, or to an entity which is comprised of the same principal parties (each, a "Related Entity"). Without limiting the quitclaim nature of the Deed, the conveyance shall be subject to: (a) the standard exceptions in an ALTA title insurance policy; (b) general real estate taxes and any special assessments or other taxes; (c) all easements, encroachments, covenants and restrictions of record and not shown of record; (d) such other title defects that may exist; and (e) any and all exceptions caused by the acts of

Grantee or its agents. In addition, the conveyance shall be subject to substantially the following terms, covenants and conditions which are a part of the consideration for the Property and which shall run with the land and be binding upon and enforceable against Grantee and Grantee's successors and assigns, in perpetuity (unless a shorter period is expressly stated below):

1. Covenant to Build Project. Grantee shall construct the Project, in accordance with the site plan and elevations previously approved by the DPD, 24 months from the date of commencement of construction, which should occur 30 days of the this Deed. No material deviation from the previously approved site plan and elevations is permitted without written approval from DPD. 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, Grantee shall submit a written request to DPD for a certificate of completion. If DPD determines that Grantee has completed the Project in accordance with this covenant, DPD shall provide Grantee 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. "As Is," "Where Is" and "With All Faults" Conveyance. Grantee acknowledges that Grantee has had an opportunity to inspect the Property, and is relying solely upon Grantee's 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. Grantee accepts the risk that any inspection may not disclose all material matters affecting the Property (and any improvements thereon). Grantee acknowledges and agrees that the Property is being conveyed, and Grantee accepts 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 any improvements thereon), its compliance with any federal, state or local laws, or the suitability or merchantability of the Property for any purpose whatsoever. Grantee acknowledges and agrees that Grantee is solely responsible for any investigation and remediation work necessary to put the Property in a condition which is suitable for its intended use.

3. Release. Grantee, on behalf of itself and its officers, directors, employees, successors, assigns and anyone claiming by, through or under any of them, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the Property under or through Grantee following the date of this Deed (collectively, the "Grantee Parties"), hereby releases, relinquishes and forever discharges the City, its officers, agents and employees (collectively, the "City Parties"), from and against any and all claims, demands, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable attorney's fees and court costs (collectively, "Losses") which Grantee Parties ever had, now have, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, foreseen or unforeseen, now existing or occurring after the date of this Deed, based upon, arising out of or in any way connected with, directly or indirectly: (i) any environmental contamination, pollution or hazards associated with the Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of hazardous substances, or threatened release, emission or discharge of hazardous substances; (ii) the structural, physical or environmental condition of the Property, including, without limitation, the presence or suspected presence

of hazardous substances in, on, under or about the Property or the migration of hazardous substances from or to other property; (iii) any violation of, compliance with, enforcement of or liability under any environmental laws, including, without limitation, any governmental or regulatory body response costs, natural resource damages or Losses arising under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 6901 *et seq.*; and (iv) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the Property or any improvements, facilities or operations located or formerly located thereon. Grantee Parties waive their rights of contribution and subrogation against the City Parties. The covenant of release in this Section 3 shall run with the Property, and shall be binding upon all successors and assigns of Grantee with respect to the Property, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the Property under or through Grantee following the date of this Deed. Grantee acknowledges and agrees that the foregoing covenant of release constitutes a material inducement to the City to convey the Property, and that, but for such release, the City would not have agreed to convey the Property to Grantee. It is expressly agreed and understood by and between Grantee and the City that, should any future obligation of Grantee or Grantee Parties arise or be alleged to arise in connection with any environmental, soil or other condition of the Property, neither Grantee nor any other Grantee Parties shall assert that those obligations must be satisfied in whole or in part by the City, because this covenant contains a full, complete and final release of all such claims

4. Affordable Housing. Grantee acknowledges that the sale of City-owned land may trigger the Affordable Requirements Ordinance, codified at Section 2-44-085 of the Municipal Code of Chicago (as hereafter amended, supplemented or replaced), if such land is later improved with a residential project.

**SECTION 5.** 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 other provisions of this ordinance.

**SECTION 6.** This ordinance shall be in full force and effect on the date of its passage and approval.