



OFFICE OF THE MAYOR
CITY OF CHICAGO

BRANDON JOHNSON
MAYOR

November 1, 2023

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

Ladies and Gentlemen:

At the request of the Commissioner of Family and Support Services, I transmit herewith an ordinance reauthorizing the Flexible Housing Pool program.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in blue ink, appearing to be "BJ", followed by a horizontal line.

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe and sanitary rental housing affordable to persons of low and moderate income; and

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

WHEREAS, the Department of Family and Support Services ("DFSS") is an executive department of the City which, among other things, plans and coordinates programs and projects that help to prevent and end homelessness; and

WHEREAS, by an ordinance adopted by the City Council of the City ("City Council") on January 17, 2018 and published in the Journal of Proceedings of the City Council for such date at pages 64725 through 64729 (the "Prior Ordinance"), DFSS and the City's Department of Planning and Development established a program to provide rental subsidies to selected landlords in order to enable such landlords to house certain eligible tenants and to provide social services to such tenants pursuant to program parameters as further described on Exhibit A hereto and hereby incorporated herein (the "Flexible Housing Program"); and

WHEREAS, the Prior Ordinance authorized DFSS to enter into an agreement with a five-year term with one or more parties to assist in the administration of the Flexible Housing Program and other parties that may be willing to contribute funds to the Flexible Housing Program (the "Other Funders"); and

WHEREAS, in 2018, the City issued a request for proposals ("Prior RFP") to select a program administrator for the Flexible Housing Program (the "Program Administrator") to ensure efficient coordination among participating landlords, tenants, social service providers, the City and the Other Funders; and

WHEREAS, pursuant to the Prior Ordinance, the City entered into a program administration agreement, an escrow agreement, and amendments thereto (the "Prior Agreements") with the successful respondent of the Prior RFP and Other Funders; and

WHEREAS, during the term of the Prior Agreements, DFSS appropriated and granted funds to the Program Administrator to be used towards the Flexible Housing Program; and

WHEREAS, the Prior Agreements will expire in accordance with their terms on December 31, 2023; and

WHEREAS, DFSS wishes to continue the Flexible Housing Program and select a Program Administrator to administer the Flexible Housing Program for the next five years; and

WHEREAS, the City has issued a request for proposals ("New RFP") in connection with the administration of the Flexible Housing Program to ensure efficient coordination among

participating landlords, tenants, social service providers, the City and the Other Funders, if any; and

WHEREAS, DFSS intends to grant funds for the Flexible Housing Program in the approximate annual amount of \$6,000,000, or as may otherwise be appropriated, (the "DFSS Funds"); and

WHEREAS, based on response to the New RFP, DFSS will select parties which it determines are in the best interests of the City to engage to assist in the administration of the Flexible Housing Program (the "Selected Parties"); and

WHEREAS, DFSS hereby recommends to the City Council that the City be authorized to enter into an agreement by and among the City, the Selected Parties and the Other Funders, if any, for a term not to exceed five years (the "Program Administration Agreement") and other related agreements in connection with the implementation of the Flexible Housing Program; 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 3. The Commissioner of DFSS (the "DFSS Commissioner"), or a designee of the DFSS Commissioner (each, an "Authorized Officer") is hereby authorized, subject to the approval of the Corporation Counsel, to enter into, negotiate and execute the Program Administration Agreement, along with such other documents, agreements, amendments or instruments as may be necessary or advisable to implement the Flexible Housing Program. Subject to the approval of the Corporation Counsel, the Authorized Officer may determine, in the best interests of the City and within the program parameters, the terms of all such documents, agreements, amendments or instruments necessary to effectuate the intent of this ordinance and the implementation of the Flexible Housing Program and may disburse the DFSS Funds pursuant to such documents, agreements or instruments. Depending on the results of the RFP, funding the development of the IT System (as defined on Exhibit A) may be included in the scope of the Program Administration Agreement, or may be accomplished pursuant to an agreement entered into between the City and a provider separately selected by the Authorized Officer on terms and conditions negotiated in the best interests of the City.

SECTION 4. The DFSS Commissioner, in consultation with governmental and non-governmental entities that support the Flexible Housing Program, is hereby authorized to promulgate rules for the proper implementation and administration of the Flexible Housing Program (the "Program Rules").

SECTION 5. The documents, agreements and instruments entered into in connection with the Flexible Housing Subsidy Program shall not be deemed to be "city contracts" within the meaning of Section 11-4-1600(e) of the Municipal Code of Chicago (the "Municipal Code").

SECTION 6. To the extent that any ordinance, resolution, rule, order, or any provision of the Municipal Code, 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 7. This ordinance shall be in full force and effect by and from the date of its passage and approval.