

ORDINANCE

WHEREAS, the City of Chicago (the “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, through the foreclosure of demolition liens, tax sales and other methods of acquisition, has acquired title to thousands of parcels of vacant land which are costly to clean up and maintain, do not generate property taxes, and are a detriment to the community; and

WHEREAS, the City seeks to return these parcels of vacant land to private ownership and productive use; and

WHEREAS, the City is the owner of the vacant lots located at 5831-35 W. Chicago Ave., Chicago, Illinois 60651, which are legally described on Exhibit A attached hereto (collectively, the “Property”); and

WHEREAS, the Department of Planning and Development (“Department”) retained the services of CBRE Group, Inc. (“CBRE”) to provide market value assessments of the Property based on comparable sales; and

WHEREAS, the market value of the Property as of December 9, 2023, as determined by CBRE, is \$57,183 (the “Market Value”); and

WHEREAS, The Mingo Group Corp., an Illinois corporation (“Grantee”), submitted a proposal to the Department to construct a 3-story mixed-use building with commercial space on the ground floor, 8-residential units, and 8 parking spaces, as depicted in the drawings attached hereto and incorporated herein as Exhibit B (the “Project”); and

WHEREAS, a Phase I Environmental Site Assessment (“ESA”) of the Property dated May 15, 2024, obtained by the Grantee, identified Recognized Environmental Conditions (“RECS”), as that term is defined by the American Society for Testing and Materials (ASTM) E1527-21 standard for conducting Phase I ESAs; and

WHEREAS, at the request of the City, Grantee obtained a Phase II ESA, dated September 18, 2024, which identified contamination above residential remediation objectives as determined by 35 Ill. Adm. Code Part 742; and

WHEREAS, as a condition of the sale of the Property, the City is requiring Grantee to enroll the Property in the Illinois Environmental Protection Agency (“IEPA”) Site Remediation Program to obtain a final comprehensive residential No Further Remediation letter (“Final Comprehensive Residential NFR Letter”); and

WHEREAS, the cost of remediation is estimated to be \$56,803.80 (Remediation Estimate); and

WHEREAS, the Department has agreed to sell the Property to Grantee for \$379.20 (the “Purchase Price”), which represents the Remediation Estimate deducted from the Market Value of the Property; and

WHEREAS, public notice advertising the Department's intent to sell the Property to the Grantee and requesting alternative proposals appeared in the *Chicago Tribune* on April 24, 2025, May 1, 2025, and May 8, 2025; and

WHEREAS, no alternative 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 foregoing recitals, findings and statements of fact are hereby adopted as the findings of the City Council.

SECTION 2. The City Council hereby approves the sale of the Property in its "as is" condition to the Grantee, or to a land trust of which the Grantee is the sole beneficiary, or to an entity of which the Grantee is the sole controlling party or which is comprised of the same principal parties (the "Grantee Entity") for the Purchase Price, subject to the Grantee Entity's satisfaction of each of the following conditions precedent to closing (unless waived by the Department in its sole discretion):

(a) Grantee Entity must enroll the Property in the IEPA's Site Remediation Program to obtain a Final Comprehensive Residential NFR Letter;

(b) Grantee Entity must submit to the Department, and the Department must approve, the final construction plans and specifications for the Project;

(c) Grantee Entity must have proof of financing for the Project; and

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

If Grantee fails to close on the acquisition of the Property within 120 days after 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 (the "Commissioner"), in the Commissioner's sole discretion, extends the closing date. The Grantee Entity shall pay all escrow fees and other title insurance fees and closing costs.

SECTION 3. 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 in substantially the form attached hereto as Exhibit C ("Deed"), conveying the Property to the Grantee Entity.

SECTION 4. The Commissioner, 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 to the City Lot or otherwise may be reasonably necessary or appropriate to consummate the transaction contemplated hereby.

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. This ordinance shall take effect upon its passage and approval.

Attachments: Exhibit A – Legal Description of Property
Exhibit B – Drawings of Property
Exhibit C – Form of Deed