



OFFICE OF THE MAYOR
CITY OF CHICAGO

BRANDON JOHNSON
MAYOR

May 20, 2026

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

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith an ordinance authorizing the execution of amended ground leases for senior housing buildings in the North Park Village Campus.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

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 is the owner of the real property located in the City of Chicago at the common address of 5801 North Pulaski Road, which is comprised of 151 acres of land bounded by Peterson Avenue on the north, Central Park Avenue on the east, Bryn Mawr Avenue on the south, and Pulaski Road on the west (the "North Park Village Campus"); and

WHEREAS, Elderly Housing Development and Operations Corporation, a District of Columbia nonprofit corporation ("EHDOC"), through its affiliates, owns and operates 54 affordable housing projects providing 4,462 units of housing to low-income, very low-income, and extremely low-income elderly households in 14 states, the District of Columbia and Puerto Rico; and

WHEREAS, EHDOC's portfolio includes 5 affordable housing projects in Chicago, all within the North Park Village Campus, providing a total of 590 units, namely: the 241-unit Senate Apartments, the 75-unit Prete Apartments, the 31-unit Edward M. Marx Apartments, the 63-unit J. Michael Fitzgerald Apartments, and the 180-unit North Park Village Apartments; and

WHEREAS, EHDOC is an affiliate of Senior Citizens Housing Development Corporation of Chicago, a District of Columbia nonprofit corporation registered to do business in the State of Illinois ("Lessee"), which currently owns and operates the Senate Apartments and the Prete Apartments; and

WHEREAS, the City and Lessee entered into a ground lease dated September 9, 1979, and recorded on October 10, 1979, in the Cook County Recorder's Office as Document No. 25184363 (the "Original Ground Lease"), pursuant to which Lessee constructed the Senate Apartments as a multi-family apartment building for elderly households of moderate- and low-income under Section 202 of the Housing Act of 1959, as amended (the "HUD Section 202 Program"); and

WHEREAS, the Original Ground Lease was amended by that certain Lease Amendment dated March 13, 1990, and recorded on September 20, 1990, as Document No. 90459764 (the "Senate First Lease Amendment"), and that certain Second Lease Amendment dated May 1, 2016, and recorded on May 24, 2016, as Document No. 1614516055 (the "Senate Second Lease Amendment") (the Original Ground Lease, the Senate First Lease Amendment, and the Senate Second Lease Amendment shall be referred to together as the "Senate Lease"); and

WHEREAS, the primary purpose of the Senate lease amendments was to carve out separate parcels of land for the construction of new affordable senior housing; and

WHEREAS, the Senate First Lease Amendment released a portion of the original Senate leasehold estate for the construction of the Prete Apartments, and the Senate Second Lease Amendment released another portion of the original Senate leasehold estate for the construction of

the J. Michael Fitzgerald Apartments; and

WHEREAS, the current Senate leasehold estate, after adjusting the property lines for the Prete and Fitzgerald Apartments, is legally described on (Sub) Exhibit A of Exhibit A attached hereto; and

WHEREAS, simultaneously with the execution of the Senate First Lease Amendment, the City and Lessee entered into a new ground lease for the Prete leasehold estate dated March 13, 1990, and recorded on September 20, 1990, as Document No. 90459765, as amended by that certain amendment dated May 1, 2016, and recorded on May 24, 2016, as Document No. 1614516058 (as amended, the "Prete Lease"), pursuant to which Lessee constructed and presently owns and operates the Prete Apartments as a multi-family apartment building for elderly households of moderate- and low-income under the HUD Section 202 Program; and

WHEREAS, the Senate First Lease Amendment replaced the original 75-year term of the Original Ground Lease with a new 75-year term (the "Term") for the Senate Lease, which commenced on March 13, 1990 and is currently set to expire on March 12, 2065 (the "Termination Date"); and

WHEREAS, EHDOC and Lessee desire to refinance the Senate Apartments with a mortgage loan (the "FHA Loan"), to be insured by the U.S. Department of Housing and Urban Development ("HUD") acting through the Federal Housing Administration ("FHA") under its Multifamily Accelerated Processing Program ("MAP Program") under Section 207/223(f) of the National Housing Act, as amended, for the purpose of creating working capital that will be allocated towards the predevelopment, development, acquisition, and rehabilitation of existing and future affordable senior housing developments in EHDOC's nationwide portfolio, including a specific allocation of approximately \$3,500,000.00 for repairs and improvements to the Senate Apartments; and

WHEREAS, a portion of the equity proceeds from the refinancing will help stabilize EHDOC's balance sheet and assure its financial strength for years to come, which in turn will support EHDOC's long-term stewardship of the North Park Village Campus buildings serving vulnerable populations in Chicago; and

WHEREAS, to qualify for and receive the FHA Loan for the Senate Apartments, Lessee must (1) extend the Term of the Senate Lease and incorporate a HUD Lease Addendum, and (2) transfer its interest in the Prete Lease and the Prete Apartments to a separate ownership entity, among other requirements imposed by the lender of the FHA Loan and HUD/FHA; and

WHEREAS, the City, through its Department of Fleet and Facility Management ("2FM"), and Lessee wish to amend the Senate Lease as more particularly described herein and transfer Lessee's interest in the Prete Lease and the Prete Apartments to a separate ownership entity to ensure that Lessee qualifies for the FHA Loan; *now, therefore*,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. The 2FM Commissioner, or a designee of the 2FM Commissioner, is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver an amendment to the Senate Lease in substantially the form attached hereto as Exhibit A together with an incorporated HUD Lease Addendum (the "Senate Third Lease Amendment"), and such other documents as may be necessary or appropriate to implement this ordinance and carry out and comply with the provisions of the Senate Third Lease Amendment, with such changes, deletions and insertions as shall be approved by the persons executing the Senate Third Lease Amendment, including without limitation an estoppel certificate to confirm the terms of, and no default under, the Senate Lease.

SECTION 3. The 2FM Commissioner, or a designee of the 2FM Commissioner, is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver an assignment and amendment of the Prete Lease in substantially the form attached hereto as Exhibit B (the "Prete Assignment and Assumption and Second Lease Amendment"), and such other documents as may be necessary or appropriate to implement this ordinance and carry out and comply with the provisions of the Prete Assignment and Assumption and Second Lease Amendment, with such changes, deletions and insertions as shall be approved by the persons executing such Prete Assignment and Assumption and Second Lease Amendment.

SECTION 4. 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 5. All ordinances, resolutions, or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. This ordinance shall take effect immediately upon its passage and approval.

Attachments: Exhibit A—Senate Third Lease Amendment

Exhibit B—Prete Assignment and Assumption and Second Lease Amendment



CITY OF CHICAGO



COMMITTEE ON HOUSING & REAL ESTATE

CITY COUNCIL

CITY HALL - 3RD FLOOR

121 NORTH LASALLE STREET

CHICAGO, ILLINOIS 60602

ALDERMAN BYRON SIGCHO-LÓPEZ
CHAIRMAN

PHONE: 312-744-0584

12 June 2026

TO THE PRESIDENT AND MEMBERS OF CITY COUNCIL:

Your Committee on Housing and Real Estate for which a meeting was held on June 10, 2026, was referred an ordinance from the Department of Fleet and Facility Management for the assignment and assumption and amendment of lease agreements with North Park Village Campus for property at 5801 N Pulaski Rd, Building G (Senate Apartments) and Building E (Prete Apartments). (39th Ward)

(O2026-0025502)

Having the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed communication transmitted herewith.

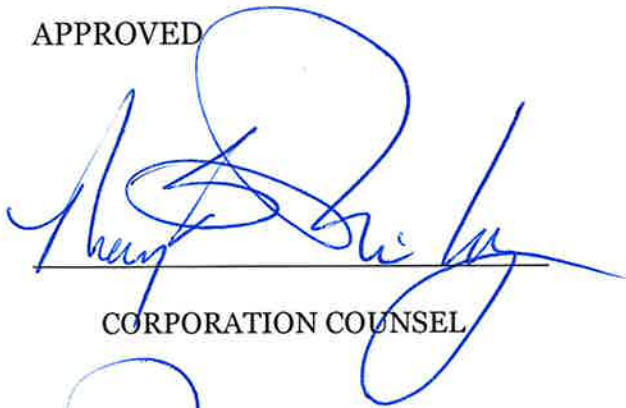
The recommendation was Passed by the same roll call as was used to determine quorum in Committee.

Sincerely,

A handwritten signature in black ink that reads "Byron Sigcho-López". The signature is written in a cursive, flowing style.

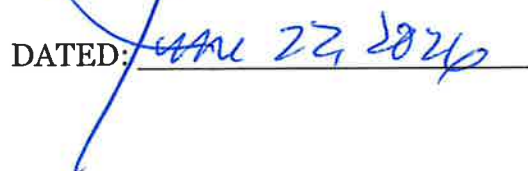
Byron Sigcho-López
Chairman, Committee on Housing & Real Estate

APPROVED

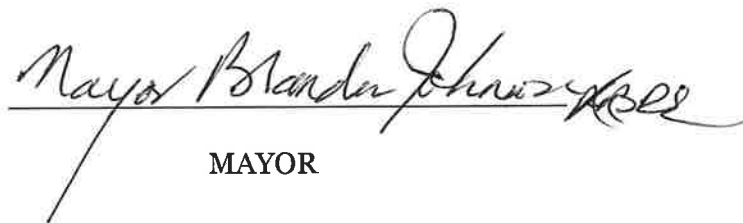
A large, stylized handwritten signature in blue ink, written over a horizontal line.

CORPORATION COUNSEL

DATED:

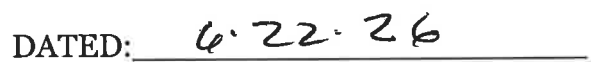
A handwritten date "June 22, 2024" in blue ink, written over a horizontal line.

APPROVED

A handwritten signature in blue ink, written over a horizontal line.

MAYOR

DATED:

A handwritten date "6.22.26" in blue ink, written over a horizontal line.