

## 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 available to persons of low and moderate income; and

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

WHEREAS, 1539 N. Pulaski Road HHDC, LP, an Illinois limited partnership (the "Owner"), has submitted a proposal (the "Project") to the Department of Planning and Development ("DPD") to redevelop with 1539 N. Pulaski Road Charitable Corporation, an Illinois not-for-profit corporation ("Charitable Corporation," and together with Owner, the "Developer") certain real property located at 1539 North Pulaski Road, Chicago, Illinois 60651 (as legally described in Exhibit C, the "Property"). The Project will include the redevelopment of the Property into an approximately 63,370 square-foot residential development consisting of adaptive re-use of a vacant historic property and attached new construction, providing 60 affordable rental housing units containing (58) one-bedroom units, (2) two-bedroom units and supportive services; and

WHEREAS pursuant to an ordinance adopted by the City Council of the City (the "City Council") on June 9, 1999, and published in the Journal of the Proceedings of the City Council (the "Journal") of such date at pages 3704 through 3885, under the provisions of the Tax Increment Allocation Redevelopment Act, 65ILCS 5/11-74.4.1, et seq., as amended (the "Act"), City Council: (i) approved "The Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project" (the "Plan") for a portion of the City known as the "Pulaski Corridor Redevelopment Project Area" (the "Area") (ii) designated the Area as a "redevelopment project area" within the requirements of the Act and, (iii) adopted tax increment allocation financing pursuant to the Act as a means of financing certain Redevelopment Project Costs (as defined in the Act) incurred pursuant to the Plan (as amended from time to time, the "TIF Ordinance"); and

WHEREAS, City Council amended the Plan pursuant to an ordinance adopted on October 3, 2012, and published in the Journal of such date at pages 33746 through 33748; and

WHEREAS, City Council amended the Plan further pursuant to an ordinance adopted on July 30, 2014, and published in the Journal of such date at pages 84883 through 84886; and

WHEREAS, City Council amended the Area pursuant to an ordinance adopted on December 14, 2022, and published in the Journal of such date at pages 57602 through 57733; and

WHEREAS, the Property is located in the Area; and

WHEREAS, the Project is consistent with the goals and objectives of the Plan and necessary for the redevelopment of the Area; and

WHEREAS, Developer will be obligated to undertake the Project in accordance with the terms and conditions of a proposed redevelopment agreement to be executed by Developer and the City, with the Project to be financed in part by a portion of Incremental Taxes, if any, deposited in the TIF Fund (hereinafter defined) pursuant to Section 5/11-74.4-8(b) of the Act; and

WHEREAS, Section 17-4-1000 et. seq. of the Municipal Code of Chicago (the "Municipal Code") authorizes the City to award floor area bonuses to projects located in "D" districts in return for a financial contribution to the City ("Bonus Payment"); and

WHEREAS, the Bonus Payment is deposited into three funds: (i) the Neighborhood Opportunity Fund, (ii) the Citywide Adopt-a-Landmark Fund (which receives 10% of each Bonus Payment), and (iii) the Local Impact Fund; and

WHEREAS, the purpose of the Citywide Adopt-a-Landmark Fund is to finance landmark restoration projects; and

WHEREAS, pursuant to Section 17-4-1006-C-4 of the Chicago Zoning Ordinance, DPD developed a list of funding priorities for the award of grants under the Citywide Adopt-a-Landmark Fund ("Funding Priorities"); and

WHEREAS, on May 17, 2023, DPD announced that it was accepting applications for landmark restoration projects; and

WHEREAS, DPD received thirty-one applications, four of which were eliminated because they did not satisfy the eligibility criteria (for example, the subject building is not a designated landmark); and

WHEREAS, DPD evaluated the applications based on the Funding Priorities, and determined that the application of Hispanic Housing Development Corporation, an Illinois not for profit corporation and an affiliate of Charitable Corporation ("Hispanic Housing") was one of the applications that best satisfied the Funding Priorities; and

WHEREAS, by an ordinance adopted on March 15, 2023, and published in the Journal of such date at pages 61558 through 61563, inclusive; the City Council designated the building located on the Property, and commonly known as the Pioneer Arcade Building, a Chicago Landmark; and

WHEREAS, the City wishes to award Hispanic Housing a grant in the amount of \$510,000 from funds deposited in the Citywide Adopt-a-Landmark Fund ("Landmark Funds") for the Project; and

WHEREAS, on August 7, 2025, the Commission on Chicago Landmarks passed a resolution (the "Landmark Resolution"), recommending approval of the use of Landmark Funds for the Project, and approving the scope of work and budget for the Project, and setting forth certain conditions of approval; and

WHEREAS, the Landmark Resolution is attached hereto as Exhibit B; and

WHEREAS, the Project identified in the Landmark Resolution satisfies the requirements of Section 17-4-1006-C of the Chicago Zoning Ordinance with respect to authorized uses of the Citywide Adopt-a-Landmark Fund; 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 2. Developer is hereby designated as the developer for the Project pursuant to Section 5-11-74.4-4 of the Act.

SECTION 3. Upon the approval and availability of the Additional Financing as shown on Exhibit A hereto, the Commissioner of Planning and Development (the "Commissioner") or a designee or successor thereof (the "Authorized DPD Officer") and the Commissioner of Housing or a designee or successor thereof (the "Authorized DOH Officer", together with Authorized DPD Officer, the "City Authorized Officer") are each hereby authorized, with the approval of the Corporation Counsel as to form and legality, to negotiate, execute and deliver a redevelopment agreement between Developer and the City in connection with payment of the Redevelopment Project Costs with the tax increment financing ("TIF") funds, substantially in the form attached hereto as Exhibit D and made a part hereof (the "Redevelopment Agreement"), and such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such modifications as are required under the HUD Section 202 Supportive Housing for the Elderly program, 12 U.S.C. Section 1701q and 24 CFR Part 891, and HUD's "mixed finance" combination of a Section 202 capital advance with federal low income housing tax credits (collectively, the "Section 202 Program"), and with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement, with such execution to constitute conclusive evidence of the City Authorized Officer's approval of any changes or revisions from the form of Redevelopment Agreement attached to this Ordinance.

SECTION 4. The City Council hereby finds that the City is authorized to pay an aggregate amount equal to \$13,244,690 ("City Funds") from Incremental Taxes deposited in the general account of the TIF Fund (the "General Account"), to Developer to finance a portion of costs included within the Project and eligible under the Act. The proceeds of the City Funds are hereby appropriated for the purposes set forth in this Section 4.

SECTION 5. The City is hereby authorized to distribute Landmark Funds in the amount of \$510,000 to Hispanic Housing to pay for eligible costs of the Project as permitted under Section 17-4-1006 of the Chicago Zoning Ordinance and in accordance with and subject to the Landmark Resolution, and such Landmark Funds are hereby appropriated for the Project.

SECTION 6. Pursuant to the TIF Ordinance, the City has created the TIF Fund (the "TIF Fund"). The City Comptroller (or his or her designee) is hereby directed to maintain the TIF Fund as a segregated interest-bearing account, separate and apart from the City's Corporate Fund or any other fund of the City. Pursuant to the TIF Ordinance, all Incremental Taxes received by the City for the Area shall be deposited into the TIF Fund. The City shall use the funds in the TIF Fund to make payments pursuant to the terms of the Redevelopment Agreement.

SECTION 7. The Mayor, the City Comptroller, the City Clerk and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements, and certificates and to do such other things consistent with the terms of this ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this ordinance.

SECTION 8. The Project (as described on Exhibit A hereto) shall be deemed to qualify as "Affordable Housing" for purposes of Chapter 16-18 of the Municipal Code of Chicago (the "Municipal Code"). Section 5-11-110 of the Municipal Code does not apply to the Project.

SECTION 9. To the extent that any ordinance, resolution, rule, order or 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 10. This ordinance shall be effective as of the date of its passage and approval.