

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, the City has certain funds available from a variety of funding sources (the "Multi-Family Program Funds") to make loans and grants for the development of multi-family residential housing to increase the number of families served with decent, safe, sanitary, and affordable housing and to expand the long-term supply of affordable housing, and such Multi-Family Program Funds are administered by the City's Department of Housing (the "DOH"); and

WHEREAS, DOH has preliminarily reviewed and approved the making of a loan to Legends A-3, LLC, an Illinois limited liability company (the "Borrower"), of which Legends A-3 Manager, LLC, an Illinois limited liability company, is the general partner (the "General Partner"), in an amount not to exceed \$2,983,269 (the "Loan") to be funded from Multi-Family Program Funds pursuant to the terms and conditions set forth in Exhibit A attached hereto and made a part hereof; and

WHEREAS, pursuant to an ordinance adopted by the City Council on July 21, 2004, and published at pages 27705-27826 of in the Journal of Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (the "Plan") for the 47th/State Redevelopment Project Area (the "Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on July 21, 2004, and published at pages 27827-27832 of the Journal of such date, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance (the "TIF Ordinance") adopted by the City Council on July 21, 2004, and published at pages 27833-27843 of the Journal of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, the Borrower and CHA Community Support Corporation, an Illinois not-for-profit corporation (the "CHA CSC", and together with Borrower, the "Developer"), plan to develop real property located within the Area commonly known as 4520 South State Street, Chicago, Illinois 60609 (the "Property"), and Borrower shall commence and complete construction of two buildings containing a total of 52 units, of which 42 units will be affordable apartments for low-income families (together with related common areas along with commercial space, the "Project"); and

WHEREAS, the Developer will be obligated to undertake the Project in accordance with the terms and conditions of a proposed redevelopment agreement ("Redevelopment Agreement") to be executed by the Developer and the City, with such Project to be financed in part by certain pledged incremental taxes deposited from time to time in the 47th/State Tax Increment Financing

Redevelopment Project Area Special Tax Allocation Fund for the Area (the "TIF Fund") pursuant to Section 5/11-74.4-8(b) of the Act ("Incremental Taxes"); 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. Upon the approval and availability of the Additional Financing as shown in Exhibit A hereto, the Commissioner of DOH (the "DOH Commissioner") and a designee of the DOH Commissioner (collectively, the "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Loan. The Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Loan which do not substantially modify the terms described in Exhibit A hereto. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the Loan to the Borrower.

SECTION 3. 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"). Sections 2-44-080 through 2-44-105 of the Municipal Code shall not apply to the Project or the Property (as defined on Exhibit A hereto).

SECTION 4. Upon the approval of the Additional Financing, the Commissioner of DPD or a designee thereof (the "Authorized DPD Officer") is hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver the Redevelopment Agreement with the Developer, and such other supporting documents as may be necessary to carry out and comply with the provisions of such agreements, with such changes, deletions and insertions as shall be approved by the persons executing such agreements. The Redevelopment Agreement shall be in substantially the form attached hereto as Exhibit B and made a part hereof and hereby approved with such changes therein as shall be approved by the Authorized DPD Officer executing the same, with such execution to constitute conclusive evidence of such officer's approval of any changes or revisions from the form of Redevelopment Agreement attached to this Ordinance.

SECTION 5. The City Council hereby finds that the City is authorized to pay an aggregate amount not to exceed \$10,000,000 ("City Funds") from Incremental Taxes deposited in the general account of the TIF Fund to the Developer to finance a portion of the eligible costs included within the Project, including securing any portion of the Additional Financing. The proceeds of the City Funds are hereby appropriated for the purposes set forth in this Section 6.

SECTION 6. The Mayor, the Chief Financial Officer, the City Comptroller, the City Clerk, the Authorized Officer 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 7. 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 8. This ordinance shall be in full force and effect immediately upon its passage and approval.