

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a home rule unit of local government pursuant to Article VII, Section 6 (a), of the 1970 Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, pursuant to the ordinance adopted by the City Council of the City (the "City Council") on April 26, 2006, and published in the Journal of Proceedings of the City Council (the "Journal") for such date at pages 75300-75340 (the "2006 Ordinance"), the City Council approved the conveyance of certain City-owned parcels and the execution of a redevelopment agreement between the City, acting by and through its Department of Planning and Development (the "Department"), and Greenwood, Berkeley, Ellis, L.L.C., an Illinois limited liability company (the "Developer"); and

WHEREAS, pursuant to the 2006 Ordinance, the City and the Developer entered into that certain Agreement for the Sale and Redevelopment of Land dated November 8, 2006, and recorded with the Office of the Recorder of Deeds of Cook County, Illinois (the "Recorder's Office"), on February 1, 2007, as document no. 0703231030 (the "Redevelopment Agreement"), relating to those City-owned or formerly City-owned parcels and four (4) Developer-owned or formerly Developer-owned parcels legally described in Exhibit A of the Redevelopment Agreement; and

WHEREAS, pursuant to the 2006 Ordinance and the Redevelopment Agreement, the City, by quitclaim deed dated November 17, 2006, and recorded in the Recorder's Office on February 1, 2007, as document no. 0703231031 (the "City Deed"), conveyed to the Developer fourteen (14) parcels of real property located on the 4300 blocks of South Greenwood Avenue, South Berkeley Avenue, and South Ellis Avenue, Chicago, Illinois (the "City Property"), in consideration of the Developer's (a) payment to the City of Eight Hundred Thousand and No/100 Dollars (\$800,000) (the "Sales Price"), and (b) construction of sixteen (16) detached, all-masonry single-family homes and six (6) condominium units on the City Property and certain additional real property owned by the Developer, as more fully described in the Redevelopment Agreement (the "Project"); and

WHEREAS, the Sales Price was \$515,000 less than the appraised fair market value of the City Property (approximately \$36,785 per parcel of City Property); and

WHEREAS, the Redevelopment Agreement obligated the Developer to sell the condominium units at an affordable price, as further described in the Redevelopment Agreement; and

WHEREAS, the Redevelopment Agreement permitted the Developer to sell the single-family homes at a market rate price; and

WHEREAS, due to the decline in the real estate market and changes in underwriting requirements applicable to buyers of single-family homes, including condominium units, the Developer was unable to market four (4) condominium units; and

WHEREAS, to facilitate the sale of those four (4) condominium units and the completion of the condominium portion of the Project, the Developer requested that the Department consent to an amendment of the Redevelopment Agreement to increase the households earning cap

applicable to those four (4) condominiums; and

WHEREAS, the City Council, pursuant to an ordinance adopted on October 7, 2009, and published at pages 72562 through 72565 in the Journal of such date (the "2009 Ordinance"), authorized the City's execution of a first amendment to the Redevelopment Agreement, to increase the household earnings caps applicable to the four (4) condominium units, extend the completion date for the Project, and consent to certain changes in the Developer's ownership structure; and

WHEREAS, pursuant to the 2009 Ordinance, the City and the Developer entered into that certain First Amendment to Redevelopment Agreement dated March 26, 2010, and recorded with the Recorder's Office on May 13, 2011, as document no. 1113331048 (the "First Amendment"; the Redevelopment Agreement, as amended by the First Amendment, the "Amended Agreement"); and

WHEREAS, GT Alternatives LLC, an Illinois limited liability company ("Tax Buyer"), with a principal address of 2034 N. Clark Street, Chicago, Illinois 60614, acquired by tax deed dated January 24, 2025, and recorded with the Recorder's Office on March 7, 2025, as document no. 2506609028, four (4) parcels, including the following three (3) parcels that the City conveyed to the Developer pursuant to the City Deed, and which the Amended Agreement encumbers and on which the Developer was obligated to construct market rate single family homes: 4347 S. Berkeley Avenue, 4327 S. Ellis Avenue, and 4320 S. Greenwood Avenue, Chicago, Illinois (together, the "Three Tax Parcels"), which are legally described on Exhibit 1 attached hereto; and

WHEREAS, Tax Buyer conveyed the Three Tax Parcels to JRD LLC, an Illinois limited liability company, pursuant to three (3) warranty deeds, each dated June 4, 2025, and recorded with the Office of the Clerk of Cook County, Illinois, Recordings Division, as document numbers 2516923001, 2516923002 and 2517518024; and

WHEREAS, JRD LLC has requested that the City release the Amended Agreement from the Three Tax Parcels, subject to JRD LLC's paying the City the sum of \$110,355 (the "Write-Down Amount"), which amount represents the write-down attributable to the Three Tax Parcels (i.e., 3 times \$36,785) when the City sold the City Property to the Developer; and

WHEREAS, the Department has determined that it is in the City's best interests to release the Amended Agreement from the Three Tax Parcels in exchange for JRD LLC's payment to the City of the Write-Down Amount; 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 Commissioner of the Department (the "Commissioner"), or any designee of the Commissioner, subject to the approval of the Corporation Counsel as to form and legality, is authorized to negotiate, execute and deliver a release of the Three Tax Parcels from the Amended Agreement, subject to JRD LLC's payment to the City of the Write-Down Amount.

SECTION 3. 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 4. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall take effect immediately upon its passage and approval.