

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

WHEREAS, under Section 108 ("**Section 108**") of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. Section 5308 (the "**Act**"), and the regulations promulgated under the Act and published at 24 CFR 570.700, the United States Department of Housing and Urban Development ("**HUD**"), is authorized to provide loan guarantee assistance to public entities to fund projects which are eligible under the Act; and

WHEREAS, the City's Department of Planning and Development ("**DPD**") and the City's Office of Budget and Management ("**OBM**") have preliminarily reviewed and agreed to a request by BR Congress Owner, LLC, an Illinois limited liability company (the "**Borrower**"), for the City to apply to HUD for Section 108 loan guarantee assistance in an amount not to exceed \$25,250,000 (the "**HUD Loan**") to help the Borrower finance, in part, the project described in Exhibit A attached hereto and made a part hereof (the "**Project**"); and

WHEREAS, pursuant to an ordinance adopted by the City Council of the City (the "**City Council**") on January 21, 2026 and to be published in the Journal of the Proceedings of the City Council of the City of Chicago (the "**Journal**") for said date, the City Council authorized DPD and OBM to submit an application for the HUD Loan (the "**Application**"); and

WHEREAS, DPD and OBM have submitted the Application to HUD and are awaiting approval of the HUD Loan pursuant to the terms and conditions set forth in Exhibit A; and

WHEREAS, upon approval of the Application and finalizing of the HUD Loan, DPD and OBM plan to make a loan to the Borrower in an amount not to exceed \$25,250,000 (the "**Project Loan**"), to be funded from proceeds of the HUD Loan, pursuant to the terms and conditions set forth in Exhibit A; and

WHEREAS, BR WS Manager, LLC, a Delaware limited liability company is the sole manager of the Borrower and Baum Revision, LLC, an Illinois limited liability company ("**Baum**") is the sole owner of the BR WS Manager, LLC; and

WHEREAS, pursuant to an ordinance adopted by the City Council on February 16, 2000 (the "Fullerton/Milwaukee TIF Ordinance") and published at pages 25063 to 25162 of the Journal of such date, a certain redevelopment plan and project (the "**Original Fullerton/Milwaukee Plan and Project**") for the Fullerton/Milwaukee Redevelopment Project Area (the "**Fullerton/Milwaukee 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 February 16, 2000, and published at pages 25162 to 25183 of the Journal of such date, the Fullerton/Milwaukee Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on February 16, 2000 (the "**Fullerton/Milwaukee TIF Ordinance**") and published at pages 25183 to 25204 of the Journal of such date, tax increment allocation financing was adopted pursuant to the

Act as a means of financing certain redevelopment project costs, as defined in the Act, incurred pursuant to the Fullerton/Milwaukee Plan and Project (as defined herein) and directed that the allocation of ad valorem taxes arising from levies by taxing districts upon the taxable real property in the Fullerton/Milwaukee Area and tax rates be divided in accordance with the Act and as described in the Fullerton/Milwaukee TIF Ordinance; and

WHEREAS, the Original Fullerton/Milwaukee Plan and Project has been amended by ordinances adopted on May 11, 2005 (the "**First Amendment**"), on July 6, 2011 (the "**Second Amendment**") and on July 19, 2023 (the "**Third Amendment**"); and

WHEREAS, the Original Fullerton/Milwaukee Plan and Project, as amended by the First Amendment, the Second Amendment and the Third Amendment, are together herein referred to as the "**Fullerton/Milwaukee Plan and Project**"; and

WHEREAS, pursuant to an ordinance adopted by the City Council on December 16, 2024 and published in the Journal for said date at pages 22035-22108, the City Council authorized the City to enter into a redevelopment agreement with the Borrower for the Project (the "**Congress Theater RDA**"), pursuant to which the City would provide funds from the Fullerton/Milwaukee Tax Increment Financing District in the form of a City TIF Loan (as defined in the Congress Theater RDA) in the maximum amount of \$27,250,000 evidenced by Borrower entering into a promissory note and mortgage; and

WHEREAS, pursuant to an ordinance adopted on April 19, 2024, and published at pages 11493-11568 of the Journal for such date and amended on October 16, 2025 pursuant to an ordinance adopted on October 16, 2025, and published at pages 33145-33357 of the Journal for such date (the "**2024 Bond Ordinance**") the City Council authorized the issuance of certain general obligation bonds in one or more series, in an aggregate principal amount not to exceed \$1,250,000,000 for the Purposes as defined therein (the "**2024 Bonds**"); and

WHEREAS, for purposes of Section 2.19(h) of the 2024 Bond Ordinance, this ordinance satisfies the requirement of City Council approval; and

WHEREAS, as partial security for the repayment of the Project Loan and HUD Loan, the Borrower shall grant a mortgage on the Project to the City; 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 of the Application and availability of the additional financing as shown in Exhibit A hereto, the Commissioner of Planning and Development (the "**Commissioner**") and the Director of OBM (the "**Budget Director**"), and their designees, 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 HUD Loan and the Project Loan and the terms and objectives of the Section 108 loan guarantee program. The Commissioner and the Budget Director are hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the HUD Loan and the Project Loan which do not substantially modify the terms described in Exhibit A hereto. Upon the execution and receipt of proper documentation, the Commissioner and the Budget Director are hereby authorized to disburse the proceeds of

the Project Loan to the Borrower.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, 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 4. This ordinance shall take effect upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit A

Program: HUD Section 108 Loan Guarantee Program

Project: Rehabilitation of a 130,000 square-foot historic building and other structures (the "**Buildings**") owned by BR Congress Owner, LLC, an Illinois limited liability company (the "**Owner**"), located generally at 2135 North Milwaukee Avenue in Chicago, Illinois (the "**Property**"). The Buildings are located in the Fullerton/Milwaukee Redevelopment Project Area. The Owner will rehabilitate the Buildings for a mixed-use project consisting of a fully renovated theatre, sixteen affordable residential units and approximately 20,000 square feet of commercial space, including office and workspace for local tenants offered at below market rents that will contribute to the long-term growth of the real property tax base in the area.

Section 108 Loan:

Amount: Not to exceed \$25,250,000.

Maximum
Repayment
Period: Not to exceed 20 years.

Sources of
Repayment of
The Section
108 Loan: Project revenue, equity and/or financing from the Owner, Community Development Block Grant entitlement funds; and funds from the proceeds of the 2024 Bonds issued by the City.

All other sources of project financing as set forth in the Congress Theater RDA.