

SUBSTITUTE ORDINANCE

WHEREAS, pursuant to an ordinance adopted by the City Council ("**City Council**") of the City of Chicago (the "**City**") on July 7, 1999 and published at pages 8099 to 8197 of the Journal of the Proceedings of the City Council (the "**Journal**") of such date and subsequently amended on each of (i) February 16, 2000 (and published at pages 25569 to 25571 of the Journal of such date); (ii) June 12, 2019 (and published at pages 554 to 625 of the Journal of such date) and (iii) November 1, 2023 (and published at pages 4530 to 4533 of the Journal of such date), a certain redevelopment plan and project (the "**24th/Michigan Plan and Project**") for the 24th/Michigan Redevelopment Project Area (the "**24th/Michigan 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 7, 1999, and published at pages 8198 to 8204 of the Journal of such date, and subsequently amended on each of (i) February 16, 2000 (and published at pages 25569 to 25571 of the Journal of such date); (ii) June 12, 2019 (and published at pages 554 to 625 of the Journal of such date) and (iii) November 1, 2023 (and published at pages 4530 to 4533 of the Journal of such date), the 24th/Michigan Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on July 7, 1999 (the "**24th/Michigan TIF Ordinance**") and published at pages 8203, and 8205 to 8210 of the Journal of such date, and subsequently amended on each of (i) February 16, 2000 (and published at pages 25569 to 25571 of the Journal of such date); (ii) June 12, 2019 (and published at pages 554 to 625 of the Journal of such date) and (iii) November 1, 2023 (and published at pages 4530 to 4533 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 24th/Michigan 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 24th/Michigan Area and tax rates be divided in accordance with the Act and as described in the 24th/Michigan TIF Ordinance; and

WHEREAS, the City owns real property within the 24th/Michigan Area which property is legally described on Exhibit B hereto, located at the southeast corner of 23rd Street and State Street and commonly known as 2311-15 South State Street (also known as 3-5 East 23rd Street (the "**City Property**" or the "**Property**") and intends to donate the City Property to TCB Development Services, LLC, an Illinois limited liability company ("**TCB-DS**"), the sole member and manager of which is The Community Builders, Inc., a Massachusetts not-for-profit corporation ("**TCB**") for use in the development of the Project (as described below); and

WHEREAS, the fair market value of the Property is Three Million and 00/100 Dollars (\$3,000,000.00) based on an appraisal dated May 14, 2025; and

WHEREAS, TCB-DS intends to sell and convey the Property to Southbridge 1C Housing LLC, an Illinois limited liability company (the "**Owner**" or "**Project Owner**"); and

WHEREAS, Owner (i) intends to start and complete construction of Southbridge Phase 1C, the third rental phase of the redevelopment of the former Harold Ickes Homes Chicago Housing Authority ("**CHA**") community known as "Southbridge", consisting of a transit-served

high-rise mixed-use (residential and commercial/retail) building containing approximately 80 total studio, one- and two-bedroom residential housing units, tenant amenity spaces, and approximately 1,500 square feet of ground floor commercial space (the "**Building**"); (ii) shall commence and complete construction of one (1) mixed-use building on the Property which shall consist of approximately eighty (80) total residential housing units of which forty-four (44) shall be for low-and-moderate-income families, including twenty-nine (29) CHA units, and thirty-six (36) shall be market-rate units, as well as approximately one thousand five hundred (1,500) square feet of ground-floor commercial retail space constructed as a "vanilla box" without tenant improvements(the "**Commercial Space**") and related common areas (the "**Facility**"). The Facility and related improvements, the completion of which would not reasonably be anticipated without the financing contemplated in the Redevelopment Agreement (defined below), shall be referred to as the Project; and

WHEREAS, the Owner proposes to undertake the Project in accordance with the 24th/Michigan Plan and Project and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Owner and the City, including but not limited to the completion of the Project; and

WHEREAS, pursuant to Resolution 25-CDC-03 adopted by the Community Development Commission of the City of Chicago (the "**Commission**") on May 13, 2025, the Commission has recommended that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Developer for the Project; now, therefore,

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

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Owner is hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.

SECTION 3. The Commissioner of DPD (the "**Commissioner**") or a designee are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a redevelopment agreement between the Developer and the City in substantially the form attached hereto as Exhibit A 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 changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement. Such documents may contain terms and provisions that the Commissioner or the Commissioner's designee deems appropriate, including indemnification, releases, affidavits and other documents as may be reasonably necessary to remove exceptions from title or otherwise may be reasonably necessary or appropriate to consummate the transaction contemplated hereby.

SECTION 4. The conveyance of the Property to TCB-DS for \$1.00 is hereby approved. The Mayor is authorized to execute, and the City Clerk or the Deputy City Clerk is authorized to attest, a quitclaim deed conveying the Property to TCB-DS, subject to those covenants, conditions and restrictions set forth in the Redevelopment Agreement

SECTION 5. 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 6. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 7. This ordinance shall be in full force and effect immediately upon its passage and approval.