

ORDINANCE

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 and, as such, may legislate as to matters that pertain to its local government and affairs; and

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

WHEREAS, the City, pursuant to the HOME Investment Partnership Program, received from the United States Department of Housing and Urban Development an allocation of funds ("HOME Funds") to make loans and grants to expand the long-term supply of affordable housing through, among other things, acquisition, new construction, reconstruction and moderate and substantial rehabilitation in low- and moderate-income areas; and

WHEREAS, on April 1, 2008, the City made a loan of HOME Funds in the principal amount of \$2,800,000, with an interest rate of three percent per annum and a term not to exceed 32 years (the "HOME Loan") to Renaissance Saint Luke SLF, L.P., an Illinois limited partnership ("Borrower"); and

WHEREAS, the HOME Loan was secured by, among other things, that certain Junior Mortgage, Security Agreement and Financing Statement dated as of April 1, 2008, made by the Borrower in favor of the City (the "Mortgage"); and

WHEREAS, proceeds of the HOME Loan were used to provide for the acquisition, construction and equipping by the Borrower of a 107-unit supportive living housing facility (the "Project") located at 1501 West Melrose Street, Chicago, Illinois 60657 (the "Property"); and

WHEREAS, the Mortgage is subordinate to that certain Mortgage, Assignment of Leases and Rents, Security Agreement and Financing Statement dated as of April 1, 2008 (the "Current First Mortgage") that was made by the Borrower in favor of Harris N.A., a national banking association (the "Current Bank"), for a letter of credit (the "Current Letter of Credit") that enhanced the security of a bond loan which was funded by the proceeds from the issuance by the City on April 1, 2008 of Variable Rate Demand Multi-Family Housing Revenue Bonds (Saint Luke Renaissance at Greenview Place Project) Series 2008, in the original amount of \$13,900,000 (the "Bonds"); and

WHEREAS, pursuant to Section 13.2 of that certain Trust Indenture entered into by the City and Amalgamated Bank of Chicago in connection with the Bonds, and Section 5.7 of that certain Loan Agreement entered into by the City and the Borrower in connection with the Bonds, the Borrower desires to obtain a substitute letter of credit (the "New Letter of Credit") from CIBC Bank USA, an Illinois Chartered Bank (the "New Bank") as a replacement for the Current Letter of Credit, to be secured by a new senior mortgage (the "New First Mortgage") in favor of the New Bank as a replacement for the Current First Mortgage; and

WHEREAS, the sole general partner of the Borrower is RRG Renaissance Saint Luke SLF, LLC, an Illinois limited liability company (the "Current General Partner"), the members of

which are RRG Development, Inc., an Illinois corporation, and Saint Luke Housing Ministries, an Illinois not-for-profit corporation; and

WHEREAS, the limited partner of the Borrower is NJK Venture, LLC, an Illinois limited liability company (the "Current Limited Partner"), the manager of which is Nancy J. Kapp; and

WHEREAS, the owners of the Borrower desire to sell and assign their interests in the Borrower, which will thereby replace the Current General Partner with Greenview SLF General, LLC, an Illinois limited liability company (the "New General Partner"), and will replace the Current Limited Partner with Greenview SLF Limited LLC, an Illinois limited liability company (the "New Limited Partner"); and

WHEREAS, the City's Department of Housing ("DOH") has approved a restructuring of the Project (the "Restructuring") in a manner that (1) will not alter the principal balance of the HOME Loan, (2) will not alter the interest rate on the principal balance of the HOME Loan, (3) will not extend the maturity date of the HOME Loan, (4) will require the Borrower to pay \$420,000 of accrued interest on the HOME Loan and will require a restructuring of subsequent payments of interest that accrue on the HOME Loan, (5) will subordinate the lien of the Mortgage to the lien of the New First Mortgage, and (6) will consent to the replacement of the Current General Partner with the New General Partner and the replacement of the Current Limited Partner with the New Limited Partner (collectively, the "Material Terms"); 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. The Restructuring is hereby approved as described above. The Commissioner of Housing (the "Commissioner") or a designee of the Commissioner (collectively, an "Authorized Officer"), are each hereby authorized, subject to approval by the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Restructuring which do not substantially modify the Material Terms as described herein. The Authorized Officer is 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: (a) the implementation of the Restructuring; and (b) any future restructuring of the Project which does not substantially modify the Material Terms.

SECTION 3. Notwithstanding anything to the contrary contained in the Municipal Code of Chicago (the "Municipal Code") or any other ordinance or mayoral executive order, no parties other than the owners of the Property as of the date following the date of the closing of the Restructuring (collectively, the "Project Owner"), any legal entities which are direct owners in excess of 7.5% of the Project Owner which changed in connection with the Restructuring, and all legal entities who constitute the direct or indirect controlling parties of the Project Owner (as determined by the Corporation Counsel), shall be required to provide to the City the document commonly known as the "Economic Disclosure Statement and Affidavit" (or any successor to such document) in connection with the Restructuring.

SECTION 4. 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. Sections 2-44-080, 2-44-085, 2-44-090, 2-44-100 and 2-44-105 of the Municipal Code shall not apply to the Property or the Project in connection with the Restructuring.

SECTION 5. This ordinance shall be effective as of the date of its passage and approval.