

Tenant Opportunity to Purchase Woodlawn Pilot Program

Summary of Benefits

What is the Tenant Opportunity to Purchase Woodlawn Pilot Program?

City Council approved and enacted the Woodlawn Housing Preservation Ordinance on September 9, 2020, a measure that was led by community groups and residents of Woodlawn. Contained in the ordinance was the creation of the Tenant Opportunity to Purchase Woodlawn Pilot Program. The Tenant Opportunity to Purchase Program gives tenants in Woodlawn the right of first refusal in the purchase of buildings with 10 or more units. The purpose of this program is to increase tenant ownership and preserve rental housing at affordable rates.

Below is a summary of rights under the Tenant Opportunity to Purchase Woodlawn Pilot Program. View the complete rights and program description on the Department of Housing website at Chicago.gov/Woodlawn.

Participating in the Tenant Opportunity to Purchase Woodlawn Pilot Program

Receiving Notification

- Tenants have to be notified by their building owner at least 30 days before their building is listed for sale
- The tenant association, or any tenant in the rental property if no association exists, can request the following information at any time after receiving the intent to sell:
 - ✓ The most recent rent roll, including the monthly rent charged for each unit;
 - ✓ A list of vacant apartments, and a statement of rental property's vacancy rate during the preceding 12 months;
 - ✓ The income and expense report for the twelve-month period prior to the notice.
 - ✓ The owner will have 30 calendar days from receipt of the request to provide the information.

Making an Offer

- If the building owner accepts an offer to purchase the building, then the owner must provide a copy of the offer and follow the first right of refusal process before selling the building.

Exercising Your Right of First Refusal

- Tenants have 90 calendar days from receipt of the Notice to Sale to form a tenant association and make use of their right of first refusal.
- If the tenant association makes use of its right of first refusal, then the tenant association shall have a period of 120 calendar days from the date of such notice to conduct due diligence and secure financing.
- An owner shall not request, and a tenant may not grant, a waiver of the right of first refusal.

Affordability and Protections

- Any rental property purchased by a tenant association shall be maintained as rent-restricted affordable housing for no less than 30 years.
- No owner shall disturb any tenancy, other than for a just cause eviction, during the time periods set forth.
- If the tenant association waives its right of first refusal and the owner sells the rental property to a third-party purchaser, then the purchaser shall allow current tenants to remain in their apartment either of six months from the effective date of sale or until each tenant's lease expires, whichever is longer.