

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 authorized to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Cook County Board of Commissioners has enacted the Cook County Tax Incentive Ordinance, Classification System for Assessment, as amended from time to time (the "County Ordinance"), which provides for, among other things, real estate tax incentives to property owners who build, rehabilitate, enhance and occupy property which is located within Cook County, Illinois and which is used primarily for industrial purposes; and

WHEREAS, the City consistent with the County Ordinance, wishes to induce industry to locate and expand in the City by supporting financial incentives in the form of property tax relief; and

WHEREAS, Bubbly Dynamics, L.L.C., a Delaware limited liability company (the "Applicant"), owns certain real estate located generally at 1400 West 46th Street, Chicago, Illinois 60609 as further described on Exhibit A hereto (the "Subject Property"); and

WHEREAS, Applicant has entered into leases with various tenants for portions of the Subject Property (the "Tenants"); and

WHEREAS, the Applicant intends to occupy the Subject Property and use or cause the Subject Property to be used for industrial purposes within the meaning of the County Ordinance; and

WHEREAS, it is intended that the Tenants will use the Subject Property for industrial purposes within the meaning of the County Ordinance; and

WHEREAS, the objective of the City in connection with the Subject Property is to retain existing industrial businesses and existing jobs, and to create new jobs; and

WHEREAS, the Applicant has filed an eligibility application for a Class 6b Sustainable Emergency Relief ("Class 6b SER") tax incentive under the County Ordinance with the Office of the Assessor of Cook County (the "Assessor"); and

WHEREAS, the Subject Property is located within (i) the City of Chicago Enterprise Zone No. 2 (created pursuant to the Illinois Enterprise Zone Act, 20 ILCS 665/1 et seq., as amended, and pursuant to an ordinance enacted by the City Council of the City, as amended), and (ii) the 47th/Ashland Redevelopment Project Area (created pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended, and pursuant to an ordinance enacted by the City Council of the City), and the purposes of Enterprise Zones and Redevelopment Project Areas are also to provide certain incentives in order to stimulate economic activity and to revitalize depressed areas; and

WHEREAS, the Applicant has caused the Subject Property to be used for industrial purposes for at least ten years prior to the date of application for the Class 6b SER tax incentive; and

WHEREAS, it is the responsibility of the Assessor to determine that an application for a Class 6b SER classification or renewal of a Class 6b SER classification is eligible pursuant to the County Ordinance; and

WHEREAS, the County Ordinance requires that, in connection with the filing of a Class 6b SER eligibility application with the Assessor, the applicant must obtain from the municipality in which such real estate that is proposed for Class 6b SER classification is located an ordinance expressly stating, among other things, that the municipality has determined that the incentive provided by the Class 6b SER classification is necessary for an industrial enterprise to continue operations on such real estate and that the municipality supports and consents to the Class 6b SER classification by the Assessor; and

WHEREAS, the intended use of the Subject Property will provide significant present and future employment; and

WHEREAS, notwithstanding the Class 6b SER classification of the Subject Property, the utilization thereof will generate significant new revenues to the City in the form of additional real estate taxes and other tax revenues; now, therefore,

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

SECTION 1: The above recitals are hereby expressly incorporated as if fully set forth herein.

SECTION 2: The City hereby finds that the Applicant has submitted evidence of hardship to support a determination that special circumstances make the incentive necessary for the Applicant to continue operations at the Subject Property and maintain its staff, and that without such designation the Applicant's industrial enterprise would not be economically viable causing the Subject Property to be at imminent risk of becoming vacant and unused.

SECTION 3: The City hereby determines that the incentive provided by the Class 6b SER classification for the Subject Property is necessary.

SECTION 4: The City supports and consents to the Class 6b SER classification by the Assessor with respect to the Subject Property.

SECTION 5: The Economic Disclosure Statement, as defined in the County Ordinance, has been received and filed by the City.

SECTION 6: The Clerk of the City of Chicago is authorized to and shall send a certified copy of this ordinance to the Assessor, and a certified copy of this ordinance may be included with the Class 6b SER eligibility application filed with the Assessor by the Applicant, as applicant, in accordance with the County Ordinance.

SECTION 7: The Commissioner of Planning and Development (the "Commissioner") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel, to negotiate, execute and deliver a redevelopment agreement between the Applicant and the City substantially in the form attached hereto as Exhibit B 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.

SECTION 8: This ordinance shall be effective immediately upon its passage and approval.