

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

WHEREAS, pursuant to ordinances the City Council of the City (the "**City Council**") adopted on December 13, 2000 and published in the Journal of the Proceedings of the City Council (the "**Journal**") for such date at pages 47782 to 47978 (as amended, the "**Lake Calumet TIF Ordinances**"), and under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.1 et seq., as amended (the "**Act**"), the City Council: (i) approved a redevelopment plan and project (the "**Lake Calumet Plan**") for a portion of the City known as the "Lake Calumet Industrial Redevelopment Project Area" (the "**Lake Calumet Area**"); (ii) designated the Lake Calumet Area as a "redevelopment project area" within the requirements of the Act; and (iii) adopted tax increment financing for the Lake Calumet Area; and

WHEREAS, ad valorem taxes which, pursuant to Section 5/11-74.4-8(b) of the Act and the Lake Calumet TIF Ordinances, are allocated to and when collected are paid to the Treasurer of the City for deposit by the Treasurer into a redevelopment project area special tax allocation fund established to pay redevelopment project costs (as defined in the Act) and obligations incurred in the payment thereof are known generally as "**Increment**," and Increment from the Lake Calumet Area shall be known herein as "**Lake Calumet Increment**"; and

WHEREAS, to induce certain redevelopment pursuant to the Act, the City Council adopted ordinances on June 30, 2009, which were published in the Journal for such date at pages 65068 to 65179 to accomplish the following: approve and adopt a tax increment financing redevelopment project and plan (the "**North Pullman Plan**") for a portion of the City known as the "North Pullman Redevelopment Project Area" (the "**North Pullman Area**"); designate the North Pullman Area as a tax increment financing district; and adopt tax increment financing for the North Pullman Area (the aforesaid ordinances, as amended, are collectively referred to herein as the "**North Pullman TIF Ordinances**," and incremental taxes collected from the North Pullman Area shall be known as the "**North Pullman Increment**"); and

WHEREAS, Pullman Hotel Group LLC, an Illinois limited liability company (the "**Developer**"), has submitted a proposal to the Department of Planning and Development ("**DPD**") to redevelop certain real property partially located in the Lake Calumet Area and partially located in the North Pullman Area, commonly known as 11040 S. Doty Ave West, Chicago, IL 60628 (the "**Project Property**") to construct a new building on the Project Property that will be operated as a hotel featuring a general service lobby, business center, exercise room, indoor pool, and on-site surface parking, all in accordance with the Lake Calumet Plan and North Pullman Plan, as hereinafter defined, (the "**Project**"); and

WHEREAS, the Project is consistent with the goals and objectives of the Lake Calumet Plan and the North Pullman Plan; and

WHEREAS, the Developer has proposed to undertake the Project pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by Developer and the City to be financed in part by a portion of Lake Calumet Increment and North Pullman Increment in an amount not to exceed in total \$2,863,821 ("**City Funds**") for the purpose of wholly or partially funding certain costs of the Project; and

WHEREAS, pursuant to Section 5/11-74.4-4(q) of the Act, the City can use incremental taxes from one redevelopment project area for eligible redevelopment project costs in another redevelopment project area that is either contiguous to, or is separated only by a public right of way from, the redevelopment project area from which the incremental taxes is received so long as the applicable redevelopment plans permit such use (the "**Transfer Rights**"); and

WHEREAS, the Lake Calumet Area is either contiguous to, or is separated only by a public right of way from, the North Pullman Area; and

WHEREAS, the North Pullman Plan permits the exercise of Transfer Rights with respect to the North Pullman Increment, and the Lake Calumet Plan permits the receipt of incremental taxes pursuant to Transfer Rights; and

WHEREAS, it is anticipated that the City may, in its discretion, exercise its Transfer Rights pursuant to the Act, the Calumet Plan and the North Pullman Plan to allocate and use a portion of the North Pullman Increment as part of and not in addition to the City Funds; and

WHEREAS, the Project is necessary for the redevelopment of the Lake Calumet Area and North Pullman Area; and

WHEREAS, pursuant to Resolution 25-CDC-12 adopted by the Community Development Commission of the City (the "**Commission**") on September 9, 2025, the Commission has recommended that 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 expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. Developer 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 Planning and Development or a designee of the Commissioner (the "**Authorized Officer**") are each hereby authorized, subject to approval by the City's Corporation Counsel, to negotiate, execute and deliver a redevelopment agreement between the Developer and the City substantially in 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, with such execution to constitute conclusive evidence of the Authorized Officer's approval of any changes or revisions from the form of Redevelopment Agreement attached to this Ordinance.

SECTION 4. The City Council hereby finds that the City is authorized to pay up to a total of \$2,863,821 from Lake Calumet Increment and North Pullman Increment to Developer to finance a portion of the eligible costs included within the Project. The proceeds of the City Funds are hereby appropriated for the purposes set forth in this Section 4.

SECTION 5. Pursuant to the Lake Calumet TIF Ordinances, the City has created the fund for the Lake Calumet Increment (the "**Lake Calumet TIF Fund**"). The Chief Financial Officer (or his or her designee) of the City is hereby directed to maintain the Lake Calumet TIF Fund as a segregated interest-bearing account, separate and apart from the City's Corporate Fund or any other fund of the City. Pursuant to the Lake Calumet TIF Ordinances, all Lake Calumet Increment received by the City shall be deposited into the Lake Calumet TIF Fund. The City shall use the funds in the Lake Calumet TIF Fund to make payments pursuant to the terms of the Redevelopment Agreement. The City is authorized to exercise its Transfer Rights and deposit North Pullman Increment in the amount up to \$1,431,911 into the Lake Calumet TIF Fund to be used to support the Project pursuant to the Redevelopment Agreement.

SECTION 6. Pursuant to the North Pullman TIF Ordinances, the City has created the fund for the North Pullman Increment (the "**North Pullman TIF Fund**"). The Chief Financial Officer (or his or her designee) of the City is hereby directed to maintain the North Pullman TIF Fund as a segregated interest-bearing account, separate and apart from the City's Corporate Fund or any other fund of the City. Pursuant to the North Pullman TIF Ordinances, all North Pullman Increment received by the City shall be deposited into the North Pullman TIF Fund. The City shall use the funds in the North Pullman TIF Fund to make payments pursuant to the terms of the Redevelopment Agreement.

SECTION 7. 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.

SECTION 8. This ordinance shall take effect upon its passage and approval.