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City Council Document Tracking Sheet

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Matter ID: O2023-0004454

Meeting Date: 9/13/2023

Sponsor(s): Johnson (Mayor) *

Type: Ordinance

Title: Amendment of 2019 Neighborhood Opportunity Fund Grant awarded to Ogden Washtenaw JV LLC, and Redevelopment Agreement for commercial project known as Ogden Commons at 2652 W Ogden Ave including extension of time for completion

Committee Assignment: Committee on Budget and Government Operations

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**OFFICE OF THE MAYOR
CITY OF CHICAGO**

BRANDON JOHNSON
MAYOR

September 14, 2023

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the execution of an amended Neighborhood Opportunity Fund Redevelopment Agreement with Ogden Washtenaw JV LLC.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in blue ink, appearing to read "BJ", followed by a horizontal line.

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a home rule unit of government under Article VII, Section 6(a) of the Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City is authorized under its home rule powers to regulate the use and development of land; and

WHEREAS, Chapter 16-14-010 et seq. of the Municipal Code of Chicago (the "Code") contains the Neighborhood Opportunity Fund Ordinance (the "NOF Ordinance") establishing the Neighborhood Opportunity Fund (the "NOF"); and

WHEREAS, the purpose of the NOF is to (a) promote growth within the downtown area through the floor area bonus provisions of Section 17-4-1000 of the Code, and simultaneously generate new revenues for investment in business development and job growth in neighborhoods impacted by poverty, high unemployment, and other indicators of economic deprivation; (b) strengthen neighborhood commercial corridors in qualified investment areas; and (c) address the decline of private investment in qualified investment areas that damages the City's overall economic competitiveness, impedes the sustainable and equitable development of the City as a whole, contributes to inequality and poverty, and has a detrimental effect on the City's quality of life; and

WHEREAS, the NOF shall be used for projects located in or directly benefiting qualified investment areas, as indicated on a map published by the Commissioner (the "Commissioner") of the Department of Planning and Development ("DPD") and updated at least once every five years; and

WHEREAS, the authorized uses of the NOF are for eligible costs (as defined in the NOF Ordinance) related to (a) commercial establishments that provide, on a permanent or short-term (pop-up) basis, goods and services which complement and revitalize the areas in which they are located, and which may include, without limitation, grocery stores, retail establishments, and restaurants that sell food primarily for consumption on premises; (b) cultural establishments that provide, on a permanent or short-term (pop-up) basis, recreational and educational opportunities which complement and revitalize the areas in which they are located; and (c) incubation, mentoring, and training of small businesses that otherwise qualify as authorized uses under (a) or (b) above; and

WHEREAS, on April 10, 2019, the City Council of the City approved the award of an NOF grant under certain terms and conditions to Ogden Washtenaw JV LLC, a Delaware limited liability company (the "Grantee"), in an amount not to exceed \$2,500,000 (the "NOF Grant") for the development of a commercial project located in a qualified investment area at 2652 West Ogden Avenue, Chicago, Illinois, commonly known as Ogden Commons (the "Project"); and

WHEREAS, the terms and conditions of the NOF Grant were memorialized in that certain NOF Redevelopment Agreement (Ogden Commons Phase I, Parcel B1) dated as of December 19, 2019 (the "NOF Agreement") executed by DPD and the Grantee; and

WHEREAS, the Grantee has experienced delays in the completion of the Project and has requested that DPD amend the NOF Agreement; and

WHEREAS, DPD seeks authorization to enter into an amendment to the NOF Agreement (the "Amendment") in which (1) the Completion Date will be October 15, 2023; (2) the Certificate Deadline will be April 15, 2024; (3) the NOF Grant will be reduced to an amount not to exceed \$2,413,155; (4) the Project will no longer be eligible for a Build Community Wealth Bonus; (5) the previously identified commercial and office tenants will be replaced with commercial and office tenants acceptable to DPD; and (6) DPD will require the Developer to show evidence of 75% occupancy to obtain a Certificate rather than 100% occupancy (all capitalized terms as defined in the NOF Agreement); 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 Commissioner and a designee of the Commissioner (collectively, the "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute the Amendment with the Grantee and to execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the NOF Grant. The execution of such agreements and instruments and the performance of such acts shall be conclusive evidence of such approval. The Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Amendment. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the NOF Grant to the Grantee.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the 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 other provisions of this ordinance.

SECTION 4. This ordinance shall be in full force and effect from and after the date of its passage and approval.