

ORDINANCE

WHEREAS, the City of Chicago (the "City"), is a home rule unit of government under Article VII, Section 6(a) of the 1970 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 Chicago Park District (the "Park District"), is an Illinois municipal corporation and a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois, and as such is authorized to exercise control over and supervise the operation of all parks within the corporate limits of the City; and

WHEREAS, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, in accordance with the provisions of the Act, and pursuant to ordinances adopted on February 27, 2002, and published in the Journal of the Proceedings (the "Journal") of the City Council of the City (the "City Council") for such date at pages 79794 through 80025, and as subsequently amended, the City Council: (i) approved and adopted a redevelopment plan and project for a portion of the City known as the "Chicago/Central Park Redevelopment Project Area" (the "Area"); (ii) designated the Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the Area; and

WHEREAS, in accordance with the provisions of the Act, and pursuant to ordinances adopted on June 10, 1998, and published in the Journal for such date at pages 70367 to 70520, and as subsequently amended, the City Council: (i) approved and adopted a redevelopment plan and project for a portion of the City known as the "Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area" (the "Kinzie Redevelopment Area"); (ii) designated the Kinzie Redevelopment Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the Kinzie Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Area shall be known as the "Chicago/Central Park Increment" and Increment collected from the Kinzie Redevelopment Area shall be known as the "Kinzie Increment"); and

WHEREAS, under 65 ILCS 5/11-74.4-4(q), if a redevelopment project area (i) was established before November 1, 1999 and (ii) is located within a municipality with a population of more than 100,000, then a municipality may utilize revenues received under the Act from a different redevelopment project area, other than State of Illinois sales tax increment revenues, to pay for any eligible redevelopment project costs to the extent that the redevelopment project costs involve public property that is either contiguous to, or separated only by a public right of way from, the redevelopment project area from which the revenues are received; whether or not

redevelopment project costs or the source of payment for the costs are specifically set forth in the redevelopment plan for the redevelopment project area; and

WHEREAS, in an ordinance adopted on March 15, 2023, and published at pages 60884 to 60888 of the Journal for such date, the City Council authorized the Department of Planning and Development of the City (“DPD”) to use a portion of the Chicago/Central Park Increment in an amount not to exceed \$600,000 for the purpose of making certain improvements to an existing Park District park known as “Kells (George) Park” located at 3201 West Chicago Avenue, Chicago, Illinois (the “Original Property”), including the relocation of the existing playground, construction of a walking path and other site amenities to such lighting, drinking fountain and benches (the “Original Project”) in the Area, and authorized the making of an intergovernmental agreement; and

WHEREAS, on April 21, 2023, the City and the Park District entered into an Intergovernmental Agreement (the “Original Agreement”) whereby the City agreed to pay or reimburse the Park District for the Original Project; and

WHEREAS, the City owns three (3) parcels of real property and a vacated alley located at 714, 724 and 726 North Kedzie Avenue, Chicago, Illinois, and legally described in Exhibit A (the “City Property”); and

WHEREAS, the City Property is presently improved with a decommissioned firehouse and is adjacent to the Original Property.

WHEREAS, the City desires to convey the City Property for One Dollar (\$1.00) per parcel to the Park District to expand the Original Property; and

WHEREAS, the City is authorized to convey City-owned real estate to other municipalities in accordance with the provisions of the Local Government Property Transfer Act, 50 ILCS 605/0.01 et seq.; and

WHEREAS, the City Property and Original Property (collectively, the “New Park Property”), lie wholly within the boundaries of the Area; and

WHEREAS, the New Park Property is: (i) located within a municipality with a population of more than 100,000 and (ii) a public property that is contiguous to, or separated only by a public right-of-way from, the Kinzie Redevelopment Area; and

WHEREAS, DPD and the Park District have determined that it is in the best interests of both parties to expand the Original Project to include environmental investigation and remediation of the City Property, demolition of the existing decommissioned City firehouse on the City Property, and subsequent construction of a new fieldhouse and playground on the City Property (the “Project Expansions”, and collectively with the Original Project, the “Amended Project”); and

WHEREAS, DPD desires to make available to the Park District a portion of the Chicago/Central Park Increment in an amount not to exceed a total of \$17,000,000 for the purpose of wholly or partially funding certain costs of the Amended Project (the “TIF-Funded Improvements”) to the extent and in the manner provided in this ordinance and the First Amended and Restated Agreement (as hereinafter defined); and

WHEREAS, if the funds available to pay for any TIF-Funded Improvements from the Chicago/Central Park Increment are less than \$17,000,000, then DPD would like to have the option to make available to the Park District a portion of the Kinzie Increment in an amount not to exceed the total of \$17,000,000 minus any funds made available to the Park District from the Chicago/Central Park Increment in connection with the TIF-Funded Improvements; and

WHEREAS, the City and the Park District desire to enter into an amendment to and restatement of the Original Agreement in substantially the form attached as Exhibit B (the “First Amended and Restated Agreement”) whereby the City shall convey the City Property to the Park District and increase the amount of assistance to a total of \$17,000,000 to pay or reimburse the Park District for the TIF-Funded Improvements; and

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

WHEREAS, on January 24, 2024, the Park District’s Board of Commissioners (the “Board”) adopted Resolution No. 24-1012-0124 authorizing the execution of the First Amended and Restated Agreement; and on June 12, 2024, adopted Resolution No. 24-1099-0612 approving the acquisition of the City Property; and

WHEREAS, on July 9, 2024, the Community Development Commission, by Resolution No. 23-CDC-30, recommended the transfer of the City Property to the Park District; and

WHEREAS, on July 18, 2024, the Plan Commission of the City, by Resolution No. 24-037-21, recommended the sale of the City Property to the Park District; and

WHEREAS, DPD has recommended that the City Council (i) approve the use of the Chicago/Central Park Increment and Kinzie Increment for the purposes set forth in this ordinance; (ii) authorize the conveyance of the City Property by the City to the Park District; and (iii) authorize the City to enter into the First Amended and Restated 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 of DPD (the “Commissioner”) or a designee of the Commissioner, is each hereby authorized, with the approval of the City’s Corporation Counsel as to form and legality, to negotiate, execute and deliver such documents as may be necessary or appropriate to carry out and comply with the provisions of this ordinance, with such changes, deletions and insertions as shall be approved by the Commissioner or the Commissioner’s designee. Such documents may contain terms and provisions that the Commissioner or the Commissioner’s designee deems appropriate, including indemnification, releases, affidavits and other documents as may be reasonably necessary to remove exceptions from title with respect to the City Property or otherwise may be reasonably necessary or appropriate to consummate the transaction contemplated hereby.

SECTION 3. Subject to the terms and conditions of the First Amended and Restated Agreement, the City is hereby authorized to sell and convey the City Property for the sum of One Dollar (\$1.00) per parcel. The Mayor or his proxy is authorized to execute, and the City Clerk or the Deputy City Clerk is authorized to attest, a quitclaim deed or deeds conveying the City Property to the Park District.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, 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 5. This ordinance shall take effect as of the date of its passage and approval.