

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 ("Cook County") 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, 1300 NN Branch, LLC, a Delaware limited liability company (the "Applicant"), owns certain real estate located generally at 1300 N. North Branch St., Chicago, Illinois 60642, as further described on Exhibit A hereto (the "Subject Property"); and

WHEREAS, the Applicant intends to substantially rehabilitate and re-lease an approximately 92,995 square foot industrial facility located on the Subject Property; and

WHEREAS, the Applicant has filed an eligibility application for a Class 6b tax incentive under the County Ordinance with the Office of the Assessor of Cook County (the "Assessor") based on reoccupation of abandoned property with special circumstances; and

WHEREAS, the Applicant previously purchased the Subject Property for value; and

WHEREAS, the previous tenant of the Subject Property did not renew their lease, which left the Subject Property vacant and unused for more than 15 continuous months, during which time, the Applicant continued to market the Subject Property for lease; and

WHEREAS, the City determines that certain special circumstances, including the length of the vacancy and the physically limited options for use of the Subject Property (collectively, the "Special Circumstances"), justify a finding that the Subject Property is "abandoned" for the purpose of Class 6b classification; and

WHEREAS, it is intended that the Applicant will lease the Subject Property to a future tenant or tenants to achieve substantial re-occupancy of the Subject Property; and

WHEREAS, it is intended that the future tenant or tenants will use the Subject Property primarily for industrial purposes; and

WHEREAS, the redevelopment objective of the City in connection with the Subject Property is to enhance the character of real estate in the City and Cook County, contribute to

the long-term growth in the level of economic activity and employment opportunities in the City and Cook County, contribute to the long-term growth of Cook County's tax base, and to provide greater tax revenues to the City and Cook County by increasing economic activity at the Subject Property; and

WHEREAS, the Subject Property is located within the City of Chicago Enterprise Zone No. 4 (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 the purposes of such Enterprise Zones are also to provide certain incentives in order to stimulate economic activity and to revitalize depressed areas; and

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

WHEREAS, the County Ordinance requires that, in connection with the filing of a Class 6b eligibility application with the Assessor, the applicant must obtain from the municipality in which such real estate that is proposed for Class 6b classification is located an ordinance expressly stating, among other things, that the municipality has determined that the incentive provided by the Class 6b classification is necessary for development to occur on such real estate and that the municipality supports and consents to the Class 6b 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 classification of the Subject Property, the redevelopment and 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 determines that the incentive provided by the Class 6b classification is necessary for the development to occur on the Subject Property.

SECTION 3: That the City determines that the Special Circumstances justify finding that the Subject Property is deemed "abandoned" for the purpose of the Class 6b classification.

SECTION 4: The City supports and consents to the Class 6b 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 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 take effect upon its passage and approval.