

AN ORDINANCE OF THE CITY OF CHICAGO, ILLINOIS
AUTHORIZING AN AMENDMENT TO THE AUTHORIZING ORDINANCE
OF A REDEVELOPMENT AGREEMENT

WHEREAS, as a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, the City of Chicago (the "City") has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals; 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 blighted conditions through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, pursuant to an ordinance adopted by the City Council (the "City Council") of the City on September 13, 1989, a certain redevelopment plan and project (the "Plan") for the Michigan-Cermak Tax Increment Redevelopment Financing Project Area (the "Area") was approved pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on September 13, 1989, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on September 13, 1989, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, pursuant to an ordinance ("TIF Redevelopment Agreement Ordinance") adopted by the City Council on July 19, 2023 and published at pages 1565 - 1622 of the Journal of the Proceedings of the City Council, the City was authorized to enter into a Redevelopment Agreement substantially in the form attached to the TIF Redevelopment Agreement Ordinance (the "Original Form of Agreement") with Hudson Michigan Avenue Owner LLC, a Delaware limited liability company ("Developer"); and

WHEREAS, subsequent to the passage of the TIF Redevelopment Agreement Ordinance, Developer has encountered a number of challenges that have caused changes to the sources of lender financing, the Project budget, and the timing of the Project, which changes necessitate substantial revisions to the TIF Redevelopment Agreement Ordinance and the Original Form of Agreement and; now therefore,

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

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The TIF Redevelopment Agreement Ordinance is hereby amended by replacing the fourth Whereas clause in its entirety with the following:

"WHEREAS, Hudson Michigan Avenue Owner LLC, a Delaware limited liability company (the "Developer"), has submitted a proposal to the Department of Planning and Development ("DPD") to redevelop certain real property located in the Area, commonly known as 2222 S Michigan Avenue, Chicago, Illinois 60616 (the "Project Property") to include a boutique hotel and approximately 51,200 square feet of commercial/retail use, including a speakeasy, a restaurant, an event space, a rooftop pool and bar, fitness center and co-working lounge, all in accordance with the Plan (the "Project"); and"

SECTION 3. The TIF Redevelopment Agreement Ordinance is hereby amended by replacing Exhibit B thereof (the Original Form of Agreement) with the attached Revised Exhibit B.

SECTION 4. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 5. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. This ordinance shall be in full force and effect immediately upon its passage.