

ORDINANCE

WHEREAS, pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on September 27, 2007, a certain redevelopment plan (the "Plan") for the Austin/Commercial Redevelopment Project Area (the "Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on September 27, 2007, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance (the "TIF Ordinance") adopted by the City Council on September 27, 2007, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain "redevelopment project costs" (as defined in the Act); and

WHEREAS, such redevelopment project costs will include costs for developing new transit facilities and expanding or rehabilitating existing transit facilities; and

WHEREAS, the Chicago Transit Authority (the "CTA") is an Illinois municipal corporation, which owns and controls, and is authorized to construct and develop, transit facilities; and

WHEREAS, the CTA desires to upgrade the CTA's bus turnaround at the intersection of West Division Street and North Austin Boulevard (the "Project"), which will include concrete repairs, curb reconstruction, the installation of new windbreaks with canopies, upgraded lighting, and renovations to the employee bathroom; and

WHEREAS, the CTA proposes to undertake the Project in accordance with the Plan and pursuant to the terms and conditions of the Redevelopment Agreement (as defined herein) to be executed by the CTA and the City, including but not limited to the completion of the Project; and

WHEREAS, the CTA desires to obtain partial financing for the Project through Available Incremental Taxes (as defined in the Redevelopment Agreement), if any, generated through tax increment allocation financing pursuant to the Act, the Plan, and the Redevelopment Agreement (defined herein); and

WHEREAS, the City and the CTA share a unique and special relationship arising from (i) their shared status as municipal corporations with powers to promote the health, benefit, and welfare of the City's residents, (ii) CTA's unique statutory charge to develop and maintain, as a municipal corporation, public transit facilities for the benefit of the residents of the City, and (iii) the CTA's status as a municipal corporation that is governed by a body that includes a majority of members appointed by the Mayor of the City (with the advice and consent of the City Council and the Governor of the State of Illinois); and

WHEREAS, based upon, and in reliance upon, the unique and special relationship between the City and the CTA, the City desires to enter into the Redevelopment Agreement with the CTA (and with no other person or entity), and provide Available Incremental Taxes to the CTA (and to no other person or entity) as provided in the Redevelopment Agreement, to promote the

development and maintenance of public transit facilities that are owned and controlled by a municipal corporation; and

WHEREAS, the City is authorized to enter into the Redevelopment Agreement pursuant to the Act and pursuant to Article VII, Section 10 of the Illinois Constitution of 1970 and the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq.; 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 CTA 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 the City's Department 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) a redevelopment and intergovernmental agreement between the CTA and the City in substantially the form attached hereto as Exhibit A and made a part hereof (the "Redevelopment Agreement") and (b) 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 4. The City Council of the City hereby finds that the City is authorized to pay \$1,066,675 ("City Funds") from Available Incremental Taxes deposited in the general account of the TIF Fund 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 TIF Ordinance, the City has created the TIF Fund. The Chief Financial Officer (or his or her designee) of the City is hereby directed to maintain the 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 TIF Ordinance, all Available Incremental Taxes received by the City for the Area shall be deposited into the TIF Fund. The City shall use the funds in the TIF Fund to make payments pursuant to the terms of the Redevelopment Agreement.

SECTION 6. The Mayor, the Chief Financial Officer, the Comptroller, the City Clerk and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this Ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this Ordinance.

SECTION 7. Because of the special relationship between the City and the CTA described in the recitals of this Ordinance, it shall be unlawful for the CTA to assign its rights or obligations under the Redevelopment Agreement to any other person or entity, unless such assignment is approved by an ordinance (separate from this ordinance) of the City Council.

SECTION 8. 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 9. All ordinances, resolutions, motions, or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 10. This ordinance shall take effect upon its passage and approval.

Exhibit A Redevelopment Agreement