



# City of Chicago



O2017-3217

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	4/19/2017
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Support of Class 7(b) tax incentive for property at 1010-1058 W 35th St
<b>Committee(s) Assignment:</b>	Committee on Economic, Capital and Technology Development

## 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**, pursuant to an ordinance adopted by the City Council of the City ("City Council"), the City established "Enterprise Zone 2" in accordance with the Illinois Enterprise Zone Act, 20 ILCS 665/1, *et seq.*, finding, among other things, that Enterprise Zone 2 is a depressed area; and

**WHEREAS**, certain real estate generally located at 1010-1058 West 35<sup>th</sup> Street in the City, as more precisely described on Exhibit A attached hereto and hereby made a part hereof (the "Project Site"), is located within the boundaries of Enterprise Zone 2; and

**WHEREAS**, 1010-1058 W. 35<sup>th</sup> (Chicago), LLC, an Illinois limited liability company ("Applicant"), proposes to rehabilitate the approximately 240,000 square foot Project Site and redevelop it into multi-use commercial space including office space, artist studios, rentable event space and self-storage (the "Project"); and

**WHEREAS**, the Applicant purchased the Project Site for value; and

**WHEREAS**, the Project Site has been abandoned for approximately twenty years; and

**WHEREAS**, the City's Department of Planning and Development ("DPD") has determined that the property contains numerous depressed conditions that continue to impede the development of the property, including but not limited to functionally and economically obsolete buildings and site improvements, deteriorated structures, inadequate utilities, excessive site coverage and deleterious land use and layout (the "Special Circumstances") which DPD has determined justify a finding that the Project Site is abandoned for the purpose of the Class 7b designation; and

**WHEREAS**, the Project will increase employment opportunities, economic activity in the area and growth in the real property tax base; and

**WHEREAS**, the redevelopment objective of the City in connection with the Project Site is to redevelop underutilized properties, attract new businesses and retain and encourage the expansion of existing viable businesses, increase employment opportunities, increase economic activity in the area, and growth in the real property tax base; and

**WHEREAS**, the intended use by the Applicant of the Project Site is redevelop it into multi-use commercial space including office space, artist studios, rentable event space and self-storage; and

**WHEREAS**, the Applicant has applied to the Office of the Assessor of Cook County, Illinois (the "Assessor") for designation of the Project Site as a Class 7b classification eligible for certain real estate tax incentives; and

**WHEREAS**, Section 74-65(b) of the Cook County Tax Incentive Ordinance, Classification System for Assessment, as amended from time to time (the "County Ordinance"), provides that prior to filing an eligibility application with the Assessor, an applicant for Class 7b classification must obtain an ordinance or resolution from the municipality in which the real estate is located expressly stating that (a) the municipality has determined that eligibility factors (1) through (5) under Section 74-65(a) of the County Ordinance are present, and (b) the municipality supports and consents to the Class 7b application to the Assessor; and

**WHEREAS**, DPD has reviewed the proposed Project and has determined that it meets the necessary eligibility requirements for Class 7b designation, and hereby recommends to City Council that the City expressly determine, among other things, by ordinance that (a) the required eligibility factors are present, and (b) the City supports and consents to the Class 7b application to the Assessor by the Applicant for the Project; 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 Project meets eligibility factor (1) under Section 74-65(a) of the County Ordinance in that the Project Site is located in an area in need of commercial development and designated by the City as Enterprise Zone 2.

**SECTION 3.** The City hereby determines that the Project meets eligibility factor (2) under Section 74-65(a) of the County Ordinance in that real estate taxes in the area during the last six years have either declined, remained stagnant and/or potential real estate taxes are not being fully realized due to the depressed condition of the area, and/or the Project Site, or property values as determined by the assessed value (AV) or equalized assessed value (EAV) for the redevelopment area or the Project Site have declined over the last six years, or property values as determined by the AV or EAV are increasing at a rate that is less than the balance of the City's AV or EAV for the last six years; or property values as determined by the AV or EAV for the redevelopment area/Project Site are increasing at a rate that is less than Consumer Price Index (CPI) for All Urban Consumers as published by the US Department of Labor for the last six years.

**SECTION 4.** The City hereby determines that the Project meets eligibility factor (3) under Section 74-65(a) of the County Ordinance in that there is a reasonable expectation that the Project is viable and likely to go forward on a reasonably timely basis if granted Class 7b designation and will therefore result in the economic enhancement of the area.

**SECTION 5.** The City hereby determines that the Project meets eligibility factor (4) under Section 74-65(a) of the County Ordinance in that certification of the Project for Class 7b designation will materially assist development, redevelopment or rehabilitation of the area and the Project would not go forward without the full incentive offered under Class 7b.

**SECTION 6.** The City hereby determines that the Project meets eligibility factor (5) under Section 74-65(a) of the County Ordinance in that certification of the Project for Class 7b designation is reasonably expected to ultimately result in an increase in real property tax revenue and employment opportunities within the area.

**SECTION 7.** The City hereby expressly determines that eligibility factors (1) through (5) under Section 74-65(a) of the County Ordinance are present for the Project, and hereby expressly supports and consents to the Class 7b application of the Applicant to the Assessor for Class 7b designation of the Project and the Project Site.

**SECTION 8.** The City hereby determines that the Special Circumstances justify finding that the Project Site is deemed "abandoned" for the purpose of the Class 7b designation.

**SECTION 9.** The City has received and filed the Applicant's Economic Disclosure Statement, as defined in the County Ordinance.

**SECTION 10.** The Commissioner of DPD (the "Commissioner"), or a designee of the Commissioner, are each hereby authorized to deliver a certified copy of this ordinance to the Assessor and to furnish such additional information as may be required in connection with the filing of the application by the Applicant with the Assessor for Class 7b designation of the Project.

**SECTION 11.** This ordinance shall be effective from and after its passage and approval.

S:\SHARED\Finance\Class 7(a), 7(b), 7(c)\1010-58 W. 35th, LLC\Ordinance ccs 2

**EXHIBIT A**

**Legal Description of the Project Site:**

LOTS 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19 AND 20 IN BLOCK 2 IN TRACY'S SUBDIVISION OF BLOCK 14 IN THE ASSESSOR'S SUBDIVISION OF THE NORTHWEST QUARTER AND THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

ALSO

LOTS 13, 14, 15, 16, 17, 18, 19 AND 20 (EXCEPT THE WEST 19 FEET THEREOF) IN BLOCK 3 IN TRACY'S SUBDIVISION OF BLOCK 14 IN THE ASSESSOR'S SUBDIVISION OF THE NORTHWEST QUARTER AND THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

**PROPERTY ADDRESS OF REAL ESTATE:**

1010-1058 West 35<sup>th</sup> Street, Chicago, Illinois

**PERMANENT TAX IDENTIFICATION NUMBERS:**

17-32-025-0000 and 17-32-225-041-0000



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

April 19, 2017

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 a Class 7(b) tax status for 1010-58 West 35<sup>th</sup>, LLC.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor



CITY HALL, ROOM 300  
121 NORTH LA SALLE STREET  
CHICAGO, ILLINOIS 60602  
TELEPHONE: (312) 744-3063  
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## PROCO JOE MORENO

### CITY COUNCIL CITY OF CHICAGO

ALDERMAN, 1ST WARD  
2740 WEST NORTH AVENUE  
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TELEPHONE: 773-278-0101  
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### COMMITTEE MEMBERSHIPS

CHAIRMAN, COMMITTEE ON ECONOMIC, CAPITAL &  
TECHNOLOGY DEVELOPMENT

COMMITTEES, RULES & ETHICS

FINANCE

HEALTH & ENVIRONMENTAL PROTECTION

SPECIAL EVENTS, CULTURAL AFFAIRS & RECREATION

ZONING, LANDMARKS & BUILDING STANDARDS

September 23, 2017

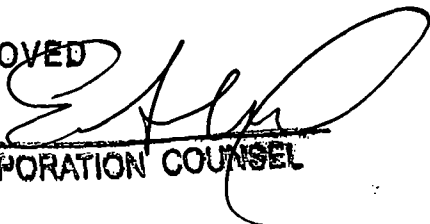
To the President and Members of the City Council:

Your committee on Economic, Capital & Technology Development, for which a meeting was held on May 17, 2017, having had under consideration five (5) items, which included a Class 6(b) tax incentive resolution introduced by Alderman Sadlowski Garza for the property at 13535 S Torrence Avenue. This recommendation was concurred in a voice vote of all committee members present with no dissenting votes. The second item on the agenda was a Class 6(b) tax incentive resolution introduced by Alderman Thompson for the property at 1400 W 44<sup>th</sup> Street. This recommendation was concurred in a voice vote of all committee members present with no dissenting votes. The third item on the agenda was a Class 6(b) tax incentive resolution introduced by Alderman Ervin for property at 4401-4425 W Kinzie Street. This recommendation was concurred in a voice vote of all committee members present with no dissenting votes. The fourth item on the agenda was a class 6(b) tax incentive resolution introduced by Alderman Ervin for the property at 4217-4219 W Kinzie Street. This recommendation was concurred in a voice vote of all committee members present with no dissenting votes. The final item on the agenda was a Class 7(b) tax incentive ordinance introduced by Mayor Emanuel for the property at 1010-1058 W 35<sup>th</sup> Street. This recommendation was concurred in a voice vote of all committee members present with no dissenting votes.

Respectfully submitted,

Proco Joe Moreno, Chairman  
Committee on Economic, Capital & Technology Development

APPROVED



CORPORATION COUNSEL

APPROVED



6/19/17

Mayer