



Office of the Chicago City
Clerk



O2012-4433

Office of the City Clerk

City Council Document Tracking Sheet

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| Meeting Date: | 6/27/2012 |
| Sponsor(s): | Emanuel, Rahm (Mayor) |
| Type: | Ordinance |
| Title: | Aeroterm to refund outstanding special facility debt at O'Hare Int'l Airport |
| Committee(s) Assignment: | Committee on Finance |

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CHICAGO July 25, 2012

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

An ordinance authorizing the City to consent to leasehold mortgages for Aero O'Hare, LLC. and Aero O'Hare Express, LLC and to approve, as the host jurisdiction, the issuance of the Public Finance Authority's Senior Airport Facilities Revenue and Refunding Bonds, Series 2012 (Tax-Exempt) (Transportation Infrastructure Properties Obligated Group).

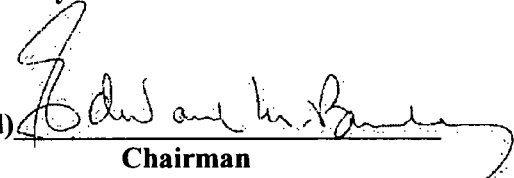
O2012-4433

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith

This recommendation was concurred in by _____ (a viva voce vote of members of the committee with 1 (Harrison) dissenting vote(s).

Alderman Edward M. Burke abstains from voting pursuant to Rule 14.

Respectfully submitted

(signed) 
Chairman

Document No. _____

**REPORT OF THE COMMITTEE ON FINANCE
TO THE CITY COUNCIL
CITY OF CHICAGO**

FIN-

(6)



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

June 27, 2012

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Aviation, I transmit herewith an ordinance authorizing consent for AeroTerm to refund its outstanding special facility debt at O'Hare International Airport.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor



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ORDINANCE

WHEREAS, the City of Chicago ("City"), a home rule unit of local government under the 1970 Constitution of the State of Illinois, owns and operates an airport known as Chicago O'Hare International Airport ("O'Hare") and possesses the power and authority to lease premises and facilities and to grant other rights and privileges with respect thereto; and

WHEREAS, the City previously issued its: (i) \$55,000,000 Variable/Fixed Rate Demand Special Facilities Airport Revenue Bonds (Centerpoint O'Hare, LLC Project) Series 1997 ("1997 Bonds") for the benefit of Aero O'Hare Express, LLC ("Aero O'Hare Express"), as assignee of CenterPoint O'Hare L.L.C. and (ii) its \$47,000,000 Chicago O'Hare International Airport Variable/Fixed Rate Demand Special Facilities Airport Revenue Bonds (Centerpoint O'Hare, LLC Project) Series 2002 ("2002 Bonds") for the benefit of Aero O'Hare, LLC ("Aero O'Hare"), as assignee of O'Hare Tech Center II L.L.C.; and

WHEREAS, pursuant to a Ground Lease for Site 19 O'Hare International Airport, dated August 15, 1995, between the City, as Landlord, and Aero O'Hare Express (successor to O'Hare Tech Center Associates, L.P.), as amended and supplemented (the "1995 Lease"), the City has leased to Aero O'Hare Express approximately 660,830 square feet of land and buildings to operate an air cargo facility; and

WHEREAS, pursuant to a Ground Lease, dated February 5, 2002, between the City and Aero O'Hare (successor to O'Hare Tech), as amended and supplemented (the "2002 Lease"), the City has leased to Aero O'Hare approximately 314,963 square feet of land and buildings to operate an air cargo facility; and

WHEREAS, Aero O'Hare and Aero O'Hare Express are each members of an obligated group who will be receiving financing from the Public Finance Authority, a Wisconsin joint powers commission ("Authority") in order to refinance the 1997 Bonds and the 2002 Bonds, pursuant to the issuance of the Authority's Senior Airport Facilities Revenue and Refunding Bonds, Series 2012 (Tax-Exempt) (Transportation Infrastructure Properties Obligated Group) (the "PFA Bonds"); and

WHEREAS, to secure the obligations of Aero O'Hare and Aero O'Hare Express under the PFA Bonds, each of Aero O'Hare and Aero O'Hare Express desire to execute and deliver a leasehold mortgage and the City of Chicago is required to consent to such leasehold mortgages, pursuant to the terms of both the 1995 Lease and the 2002 Lease;

WHEREAS, because the City of Chicago is a host jurisdiction for purposes of Section 147(f) of the Internal Revenue Code, a public hearing was held by the Committee on Finance of the City Council of the City of Chicago on July ____, 2012 regarding the issuance of the PFA Bonds; and

WHEREAS, the City desires to approve the consent to the leasehold mortgages, and approve, as the host jurisdiction for purposes of Section 147(f) of the Internal Revenue Code, the issuance of the PFA Bonds by the Authority; now therefore

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

SECTION 1. The above recitals are incorporated by reference as if fully set forth here.



SECTION 2. The consent to each leasehold mortgage of Aero O'Hare and Aero O'Hare Express is hereby approved. The Commissioner of the Department of Aviation (the "Commissioner") is hereby authorized to execute, in form and substance acceptable to Corporation Counsel, a consent to leasehold mortgage for Aero O'Hare and Aero O'Hare Express.

SECTION 3. Solely for purposes of acting as host jurisdiction under Section 147(f) of the Internal Revenue Code, the public hearing and the issuance of the PFA Bonds by the Public Finance Authority is hereby approved.

SECTION 4. The Commissioner and such other City officers, officials and employees as may be required are authorized to take such actions and execute such other documents as may be necessary or desirable to implement the objectives of this ordinance.

SECTION 5. This ordinance will be in full force and effect from and after its passage and approval.

APPROVED
Mark R. Butler
CORPORATION COUNSEL

APPROVED
Robin Emmert
MAYOR
July 27, 2012

APPROVED
Mark R. Patton
CORPORATION COUNSEL

APPROVED
Robert Emmet 1st
Mayor
July 27, 2012