



# City of Chicago



O2018-9203

## Office of the City Clerk Document Tracking Sheet

<b>Meeting Date:</b>	11/14/2018
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Intergovernmental agreement with Chicago Park District for tax increment financing (TIF) assistance to construct new administrative headquarters at 4800 S Western Avenue
<b>Committee(s) Assignment:</b>	Committee on Finance



FIN.  
18

OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

November 14, 2018

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 the execution of an intergovernmental agreement for TIF assistance for the Chicago Park District.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor



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CHICAGO December 12, 2018

**To the President and Members of the City Council:**

**Your Committee on Finance having had under consideration an ordinance authorizing the Commissioner of the Department of Planning and Development to enter into and execute an Intergovernmental Agreement with the Chicago Park District to construct a new administrative headquarters at 4800 S. Western Avenue.**

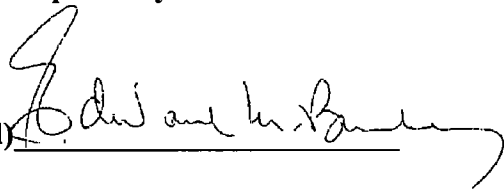
O2018-9203

**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 \_\_\_\_\_ dissenting vote(s).

Alderman Burke abstained from voting under the provisions of Rule 14.

**Respectfully submitted**

(signed) 

**Chairman**

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Document No. \_\_\_\_\_

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

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## ORDINANCE

WHEREAS, the City of Chicago (the "**City**") is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Chicago Park District (the "**Park District**") is an Illinois municipal corporation and a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois and, as such, is authorized to exercise control over and supervise the operation of all parks within the corporate limits of the City; and

WHEREAS, the Park District desires to construct a new administrative headquarters complex on a 17-acre tract generally located at 4800 S. Western Avenue in the Brighton Park Community, and is legally described in Exhibit A (the "**Property**"). The development would include Park District Headquarters, multiple outdoor artificial turf fields, a fieldhouse, a playground and a 200 place parking lot (collectively the "**Project**"); and

WHEREAS, the Park District has entered into a purchase agreement to buy the Property with an acquisition cost of \$8,650,000. The Park District plans to close on the purchase agreement by the end of 2018, with construction to begin thereafter; and

WHEREAS, the Project lies wholly within the boundaries of the Stevenson/Brighton Redevelopment Project Area (as hereinafter defined); 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 blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, in accordance with the provisions of the Act, and pursuant to ordinances adopted on April 11, 2007, and published in the Journal of the Proceedings of the City Council of the City of Chicago for said date, the City Council: (i) approved and adopted a redevelopment plan and project (the "**Plan**") for a portion of the City known as the "**Stevenson/Brighton Redevelopment Project Area**" (the "**Stevenson/Brighton Redevelopment Area**"); (ii) designated the Stevenson/Brighton Redevelopment Area as a "**redevelopment project area**;" and (iii) adopted tax increment allocation financing for the Stevenson/Brighton Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("**Increment**") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Stevenson/Brighton Redevelopment Area shall be known as the "**Stevenson/Brighton Increment**"); and

WHEREAS, the Department of Planning and Development of the City ("DPD") wishes to use a portion of the Stevenson/Brighton Increment in an amount not to exceed \$8,650,000 for the purpose of partially funding the land acquisition and construction of the Project on the Property (the "TIF-Funded Improvements") in the Stevenson/Brighton Redevelopment Area to the extent and in the manner provided in the Agreement (as hereinafter defined); and

WHEREAS, the Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within the boundaries of the Stevenson/Brighton Redevelopment Area; and

WHEREAS, the Park District is a taxing district under the Act; and

WHEREAS, in accordance with the Act, the TIF-Funded Improvements shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act; and

WHEREAS, the City and the Park District wish to enter into an intergovernmental agreement in substantially the form attached hereto as Exhibit B (the "Agreement") whereby the City shall pay for or reimburse the Park District for the TIF-Funded Improvements; now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

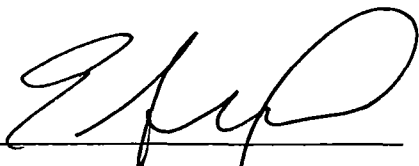
SECTION 2. The City hereby finds that the TIF-Funded Improvements, among other eligible redevelopment project costs under the Act approved by the City, consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act.

SECTION 3. Subject to the approval of the Corporation Counsel of the City as to form and legality, and to the approval of the City Comptroller, the Commissioner of DPD is authorized to execute and deliver the Agreement, and such other documents as are necessary, between the City and the Park District, which may contain such other terms as are deemed necessary or appropriate by the parties executing the same on the part of the City.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 5. This ordinance shall be in full force and effect from and after the date of its passage and approval.

APPROVED

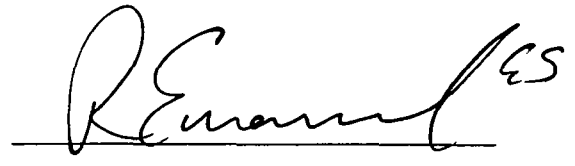


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CORPORATION COUNSEL

DATED: 12/19/18

APPROVED



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MAYOR

DATED: 12/19/18



**EXHIBIT A to the Ordinance**

**Legal Description**

**(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)**

THAT PART OF SECTION 12, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE NORTH 89 DEGREES 59 MINUTES 59 SECONDS EAST ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, ALSO BEING THE NORTH LINE OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, A DISTANCE OF 33.00 FEET TO A POINT ON A LINE THAT IS 33.00 FEET EAST OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE WEST LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, FOR A POINT OF POINT OF BEGINNING; THENCE NORTH 89 DEGREES 59 MINUTES 59 SECONDS EAST ALONG SAID NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, A DISTANCE OF 623.97 FEET TO THE EAST LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE SOUTH 00 DEGREES 00 MINUTES 01 SECONDS EAST ALONG SAID EAST LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, A DISTANCE OF 33.00 FEET TO A POINT ON A LINE THAT IS 33.00 SOUTH OF AS MEASURED AT RIGHT ANGLES TO AND PARALLEL WITH THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, ALSO BEING THE SOUTH RIGHT OF WAY LINE OF FORTY-EIGHTH STREET, A DISTANCE OF 615.90 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF SOUTH WESTERN AVENUE SAID POINT ALSO BEING 50.00 FEET WEST OF THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 12; THENCE SOUTH 00 DEGREES 05 MINUTES 07 SECONDS WEST ALONG SAID WEST RIGHT OF WAY LINE, A DISTANCE OF 617.90 FEET TO A POINT ON A LINE THAT IS 13.00 FEET NORTH OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE SOUTH 89 DEGREES 59 MINUTES 27 SECONDS WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 200.00 FEET TO A POINT ON A LINE THAT IS 200.00 WEST OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH SAID WEST RIGHT OF WAY LINE OF SOUTH WESTERN AVENUE; THENCE NORTH 00 DEGREES 05 MINUTES 07 SECONDS EAST ALONG SAID PARALLEL LINE A DISTANCE OF 20.00 FEET TO A POINT THAT IS 33.00 FEET NORTH OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE SOUTH 89 DEGREES 59 MINUTES 27 SECONDS WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 1081.73 FEET TO THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE NORTH 00 DEGREES 04 MINUTES 18 SECONDS EAST ALONG SAID WEST LINE A DISTANCE OF 33.00 FEET TO A POINT THAT IS 66.00 FEET NORTH OF AS MEASURED AT RIGHT ANGLES TO, AND

PARALLEL WITH, THE SOUTH UNE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE SOUTH 89 DEGREES 59 MINUTES 27 SECONDS WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 40.00 FEET TO A POINT ON A LINE THAT IS 40.00 FEET WEST OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE NORTH 00 DEGREES 04 MINUTES 18 SECONDS EAST ALONG SAID PARALLEL LINE A DISTANCE OF 210.29 FEET TO THE SOUTH LINE OF THE VACATED RAILROAD RIGHT OF WAY; THENCE SOUTH 69 DEGREES 31 MINUTES 12 SECONDS EAST ALONG SAID SOUTH LINE, A DISTANCE OF 42.68 FEET TO THE WEST LINE THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE NORTH 00 DEGREES 04 MINUTES 18 SECONDS EAST ALONG SAID WEST LINE, A DISTANCE OF 33.08 FEET TO THE NORTH LINE OF SAID VACATED RAIL ROAD RIGHT OF WAY; THENCE SOUTH 69 DEGREES 31 MINUTES 12 SECONDS EAST ALONG SAID NORTH LINE A DISTANCE OF 35.21 FEET TO A POINT ON A LINE THAT IS 33.00 FEET EAST OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE NORTH 00 DEGREES 04 MINUTES 18 SECONDS EAST ALONG SAID PARALLEL LINE, A DISTANCE OF 348.99 FEET TO SAID POINT OF BEGINNING; ALL IN COOK COUNTY, ILLINOIS. SAID PARCEL OF LAND CONTAINING 788205 SQUARE FEET OR 18.095 ACRES, MORE OR LESS.

PIN Numbers:           19-12-225-001  
                              19-25-209-010

Address:                4800 S. Western Avenue  
                              CHICAGO ILLINOIS

**EXHIBIT B to the Ordinance**

Intergovernmental Agreement

[See attached]

**AGREEMENT BETWEEN  
THE CITY OF CHICAGO  
AND THE CHICAGO PARK DISTRICT  
(Park District Headquarters Land Acquisition)**

This Agreement (the “**Agreement**”) is made as of this \_\_\_\_ day of \_\_\_\_\_, 2018 (the “**Closing Date**”), under authority granted by Article VII, Section 10 of the 1970 Constitution of the State of Illinois, by and between the City of Chicago (the “**City**”), an Illinois municipal corporation, by and through its Department of Planning and Development or any successor thereto (“**DPD**”); and the Chicago Park District (the “**Park District**”), an Illinois municipal corporation. The Park District and the City are sometimes referred to herein individually as a “**Party**”, and collectively as the “**Parties**.”

**RECITALS:**

A. The City is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs.

B. The Park District is a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois, and as such, has the authority to exercise control over and supervise the operation of parks within the corporate limits of the City.

C. The Park District has proposed to construct a headquarters complex on a 17-acre tract generally located at 4800 S. Western Avenue and legally described in **Exhibit A** (the “**Property**”).

D. The headquarters complex will consist of an administrative building, a fieldhouse, a playground, a 200 place parking lot and multiple outdoor artificial turf fields (collectively, the “**Project**”).

E. The City desires to help the Park District with the purchase of the Property for the Project by providing tax increment financing.

F. The Property lies wholly within the boundaries of the Stevenson/Brighton Redevelopment Project Area (as hereinafter defined).

G. 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 blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects.

H. In accordance with the provisions of the Act, and pursuant to ordinance (the “**Stevenson/Brighton Ordinances**”) adopted on \_\_\_\_\_, \_\_\_\_\_ and published in

the Journal of the Proceedings of the City Council of the City of Chicago (the “**Journal**”) for said date, the City Council: (i) approved and adopted a redevelopment plan and project (the “**Plan**”) for a portion of the City known as the “**Stevenson/Brighton Redevelopment Project Area**” (the “**Stevenson/Brighton Redevelopment Area**”); (ii) designated the Stevenson/Brighton Redevelopment Area as a “**redevelopment project area**”; and (iii) adopted tax increment allocation financing for the Stevenson/Brighton Redevelopment Area.

I. Under 65 ILCS 5/11-74.4-3(q)(2), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof (“**Increment**”) may be used to pay the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment (Increment collected from the Stevenson/Brighton Redevelopment Area shall be known as the “**Stevenson/Brighton Increment**”).

J. The Park District is a taxing district under the Act.

K. DPD wishes to make available to the Park District a portion of the Stevenson/Brighton Increment in an amount not to exceed a total of \$8,650,000 (the “**TIF Assistance**”), subject to Section 2.6, for the purpose of funding the purchase of the Property (the “**TIF-Funded Improvements**”) in the Stevenson/Brighton Redevelopment Area to the extent and in the manner provided in the Agreement.

L. In accordance with the Act, the TIF-Funded Improvements shall include such of the Park District’s capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District’s capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute “**taxing districts’ capital costs**” as defined in Section 5/11-74.4-3(u) of the Act.

M. The City and the Park District wish to enter into this Agreement whereby the Park District shall purchase the Property and the City shall reimburse the Park District with TIF-Funds for same.

N. By ordinances adopted on January 10, 2018 the Board of Commissioners of the Chicago Park District authorized the acceptance of the City Increment as described herein (the “**Park District TIF Fund Acceptance Ordinance**”).

O. By ordinances adopted on October 10, 2018 the Board of Commissioners of the Chicago Park District authorized the purchase and conveyance of the Property for the Project as described herein (the “**Park District Acquisition Ordinance**”).

P. On \_\_\_\_\_, 2018, the City Council adopted an ordinance published in the Journal for said date (the “**Authorizing Ordinance**”), among other things, authorizing the execution of this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

## **TERMS AND CONDITIONS**

### **SECTION 1. THE PROJECT.**

1.1. No later than 36 months from the Closing Date, or later as the Commissioner of DPD (the "**Commissioner**") may agree in writing, the Park District shall let one or more contracts for the purchase of the Property in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time-to-time, pertaining to or affecting the purchase of the Property for Project or the Park District as related thereto.

1.2. The Park District shall provide the City, if any shall apply, with copies of all governmental licenses and permits required to construct the Project and to use, occupy and operate the Property as a public park from all appropriate governmental authorities, including evidence that the Property is appropriately zoned to be used, occupied, and operated as a public park.

1.3. The Park District shall include a certification of compliance with the requirements of Sections 1.1, 1.2, and 1.3 hereof with the request for the TIF Assistance hereunder at the time the Project is completed and prior to any disbursement of the TIF Assistance. The City shall be entitled to rely on this certification without further inquiry. Upon the City's request, the Park District shall provide evidence satisfactory to the City of such compliance.

1.4. If applicable, in all contracts relating to the Project until the Property is conveyed to the Park District, the Park District agrees to require its contractors to name the City as an additional insured on all insurance policies and to require its contractors to indemnify the City from all claims, damages, demands, losses, suits, actions, judgments and expenses, including but not limited to attorneys' fees, arising out of or resulting from the construction for the Project by its contractors or contractors' suppliers, employees or agents.

### **SECTION 2. FUNDING**

2.1. The City shall, subject to the Park District's satisfaction of the conditions precedent for disbursement described in this Section 2 and such other conditions contained in this Agreement, disburse the TIF Assistance to the Park District.

2.2. The City shall establish a special account within the Stevenson/Brighton Redevelopment Project Area Special Tax Allocation Fund; such special account shall be known as the "**Park District Headquarters Account.**" Disbursement of TIF Assistance will be subject to the availability of Stevenson/Brighton Increment in the Park District Headquarters Account, subject to all restrictions on and obligations of the City contained in all Stevenson/Brighton

Ordinances, or relating to the Stevenson/Brighton Increment and all agreements and other documents entered into by the City pursuant thereto.

2.3. Within 15 days after the Closing Date or such longer period of time as may be agreed to by the Commissioner, but in no event later than 90 days after the execution of this Agreement (the “**Satisfaction Period**”), the Park District must satisfy to the reasonable satisfaction of the Commissioner, the following conditions precedent for City’s disbursement of the TIF Assistance to the Park District:

2.3.1. The Park District has satisfied the conditions stated in this Section 2.3 within the Satisfaction Period. If the Park District is unable to satisfy said conditions, either Party may terminate this Agreement by providing written notice to the other Party;

2.3.2. The Park District may request payment from the City by submitting a Certificate of Expenditure in the form of Exhibit C hereto (“**Certificate of Expenditure**”), which may be processed and executed periodically. The City shall not execute and approve Certificates of Expenditure in the aggregate in excess of the actual costs of the purchase of the Property for the Project, and in no event in an amount greater than the TIF Assistance. Prior to each execution of a Certificate of Expenditure by the City, the Park District shall submit documentation regarding the applicable expenditures to DPD. Delivery by the Park District to the City of any request for execution by the City of a Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that:

2.4.1. The total amount of the request for the Certificate of Expenditure represents the actual amount payable in connection with the purchase of the Property for the Project;

2.4.2. All amounts shown as previous payments on the current request for a Certificate of Expenditure have been paid to the parties entitled to such payment;

2.4.3 The Park District has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Plans and Specifications; and

2.4.4. The Park District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time-to-time, pertaining to or affecting the purchase of the Property for the Project or the Park District as related thereto.

2.5. The City shall have the right, in its discretion, to require the Park District to submit further documentation as the City may require in order to verify that the matters certified to in Section 2.4 are true and correct, and any execution and approval of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Park District.

2.6. The current estimated cost of the entire purchase of the Property for the Project is \$8,650,000. The Park District has delivered to the Commissioner a budget for the Project attached as **Exhibit B**. The Park District certifies that it has identified sources of funds, including the TIF Assistance, sufficient to complete its budgeted portion of the purchase of the Property for Project. The Park District agrees that the City will only contribute TIF Assistance to reimburse the Park District for the costs of the purchase of the Property for the Project and that all costs of completing the Project over the TIF Assistance shall be the sole responsibility of the Park District. If the Park District at any point does not have sufficient funds to complete the purchase of the Property for the Project, the Park District shall so notify the City immediately in writing and cease all work on the purchase of the Property for the Project until the City and the Park District agree on how to proceed; the Park District may narrow the scope of the purchase of the Property for the Project (the “**Revised Project**”) as agreed to by the City prior to the restart of any work in order to complete the Revised Project with the approved funds. The City has the right, at its election, to withhold and refuse all reimbursement in the event that the Park District fails to so notify the City and/or the Park District and the City fail to reach agreement on a Revised Project as described above.

2.7. **Exhibit B** contains the cost associated with the purchase of the Property for the Project recognized by the City as costs eligible to be paid for out of the TIF Assistance. To the extent the TIF-Funded Improvements are included as taxing district capital costs under the Act, the Park District acknowledges that the TIF-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these TIF-Funded Improvements are necessary and directly result from the Plan. Prior to the expenditure of TIF Assistance funds on the Project, the Commissioner, based upon the Project budget, may make such modifications to **Exhibit B** as he or she wishes in his or her discretion to account for all of the TIF Assistance funds to be expended under this Agreement; provided, however, that all TIF-Funded Improvements shall: (i) qualify as redevelopment project costs under the Act, (ii) qualify as eligible costs under the Plan; and (iii) be improvements that the Commissioner has agreed to pay for out of TIF Assistance funds, subject to the terms of this Agreement.

2.8. The Park District hereby acknowledges and agrees that the City’s obligations hereunder with respect to the TIF Assistance are subject in every respect to the availability of funds as described in and limited by this Section 2. If no funds or insufficient funds are appropriated and budgeted in any fiscal period of the City for disbursements of the TIF Assistance, then the City will notify the Park District in writing of that occurrence, and the City may terminate this Agreement on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for disbursement under this Agreement are exhausted.

2.9. If the aggregate cost of the purchase of the Property for the Project is less than the amount of the TIF Assistance contemplated by this Agreement, the Park District shall have no claim to the difference between the amount of the TIF Assistance contemplated by this Agreement and the amount of the TIF Assistance actually paid by the City to the Park District and expended by the Park District for the purchase of the Property for the Project.



### **SECTION 3. TERM**

The term of this Agreement shall commence on the Closing Date and shall expire on the date on which the Stevenson/Brighton Redevelopment Area is no longer in effect, or on the date of termination of this Agreement according to its terms, whichever occurs first.

### **SECTION 4. ENVIRONMENTAL MATTERS**

4.1. It shall be the responsibility of the Park District, at its sole cost and expense, to: (a) investigate and determine the soil and environmental condition of the Property, including obtaining phase I and, if applicable, phase II environmental audits for the Property; and (b) determine if any environmental remediation is necessary with respect to the Property or the Project, and any such work that the Park District determines is required shall be performed at its sole cost and expense as the Parties understand and agree that the City's financial obligation shall be limited to an amount not to exceed the TIF Assistance which is provided solely for the items set forth on **Exhibit B**. The City makes no covenant, representation, or warranty as to the environmental condition of the Property or the suitability of the Property as a headquarters or as a park or for any use whatsoever.

### **SECTION 5. INSURANCE.**

5.1. If applicable, the Park District shall provide and maintain at the Park District's own expense, or cause to be provided during the term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to this Agreement.

5.1.1. Workers Compensation and Employers Liability. Workers Compensation as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.

5.1.2. Commercial General Liability (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

5.1.3. Automobile Liability (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Park District shall provide or cause to be provided, Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage.

5.1.4. Professional Liability. When any architects, engineers or professional consultants perform work in connection with this Agreement, the Park District shall cause to be provided,

Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000.

5.1.5. Self Insurance. To the extent permitted by applicable Law, the Park District may self insure for the insurance requirements specified above, it being expressly understood and agreed that, if the Park District does self insure for any such insurance requirements, the Park District must bear all risk of loss for any loss which would otherwise be covered by insurance policies, and the self insurance program must comply with at least such insurance requirements as stipulated above.

5.2. If applicable, the Park District will furnish the City at the address stated in Section 8.13, original Certificates of Insurance evidencing the required coverage to be in force on the Closing Date, and renewal Certificates of Insurance, promptly as any requisite insurance is renewed. The Park District shall submit evidence of insurance on the City's Insurance Certificate Form or equivalent prior to the Closing Date. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence shall not be deemed to be a waiver by the City.

5.3. If applicable, the Park District shall advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance shall not relieve the Park District of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of this Agreement, and the City retains the right to stop work until proper evidence of insurance is provided, or this Agreement may be terminated.

5.4. If applicable, the required insurance shall provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

5.5. Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Park District and its contractors.

5.6. If applicable, the Park District agrees that insurers shall waive their rights of subrogation against the City, its employees, elected officials, agents, or representatives.

5.7. The Park District expressly understands and agrees that any coverage and limits furnished by the Park District shall in no way limit the Park District's liabilities and responsibilities specified by this Agreement or by law.

5.8. The Park District expressly understands and agrees that any insurance or self insurance programs maintained by the City shall not contribute with insurance provided by the Park District under this Agreement.

5.9. If applicable, the required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

5.10. The City's Risk Management Department maintains the right to modify, delete, alter or change these requirements.

## **SECTION 6. INDEMNITY / NO PERSONAL LIABILITY.**

6.1. The Park District agrees to indemnify and hold the City, its officers and employees, harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses, including, without limitation, reasonable attorneys' fees and court costs suffered or incurred by the City arising from or in connection with: (i) the Park District's failure to comply with any of the terms, covenants and conditions contained in this Agreement; or (ii) the Park District's failure to pay costs associated with the purchase of the Property for the Project. The defense and indemnification obligations in this Section 6.1 shall survive any termination or expiration of this Agreement.

6.2. No elected or appointed official or member or employee or agent of the City or the Park District shall be individually or personally liable in connection with this Agreement.

## **SECTION 7. DEFAULT.**

7.1. If the Park District, without the City's written consent, fails to complete the Project within 36 months after the date of execution of this Agreement, then the City may terminate this Agreement by providing written notice to the Park District.

7.2. In the event the Park District fails to perform, keep or observe any of its covenants, conditions, promises, agreements or obligations under this Agreement not identified in Section 7.1 and such default is not cured as described in Section 7.3 hereof, the City may terminate this Agreement.

7.3. Prior to termination, the City shall give its notice of intent to terminate 30 days prior to termination at the address specified in Section 8.13 hereof, and shall state the nature of the default. In the event the Park District does not cure such default within the 30-day notice period, such termination shall become effective at the end of such period; provided, however, with respect to those defaults which are not capable of being cured within such 30-day period, the Park District shall not be deemed to have committed such default and no termination shall occur if the Park District has commenced to cure the alleged default within such 30-day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

7.4. The City may, in any court of competent jurisdiction, by any proceeding at law or in equity, secure the specific performance of the agreements contained herein, or may be awarded damages for failure of performance, or both.

## SECTION 8. GENERAL PROVISIONS.

8.1. Authority. Execution of this Agreement by the City is authorized by the Authorizing Ordinance. Execution of this Agreement by the Park District is authorized by the Park District Ordinance. The Parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their obligations hereunder.

8.2. Assignment. This Agreement, or any portion thereof, shall not be assigned by either Party without the prior written consent of the other.

8.3. Compliance with Laws. The Parties agree to comply with all federal, state and local laws, status, ordinances, rules, regulations, codes and executive orders relating to this Agreement.

8.4. Consents. Whenever the consent or approval of one or both Parties to this Agreement is required hereunder, such consent or approval will not be unreasonably withheld.

8.5. Construction of Words. As used in this Agreement, the singular of any word shall include the plural, and vice versa. Masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.

8.6. Counterparts. This Agreement may be executed in several counterparts and by a different Party in separate counterparts, with the same effect as if all Parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

8.7. Further Assurance. The Parties shall perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the transactions contemplated in this Agreement.

8.8. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to the principles of conflicts of law thereof. If there is a lawsuit under this Agreement, each Party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois.

8.9. Integration. This Agreement constitutes the entire agreement between the Parties, merges all discussions between them and supersedes and replaces any and every other prior or contemporaneous agreement, negotiation, understanding, commitments or writing with respect to such subject matter hereof.

8.10. Parties' Interest/No Third Party Beneficiaries. This Agreement shall be binding upon the Parties and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Parties, and their respective successors and permitted assigns (as provided herein). This Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a Party and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or

other right. Nothing contained in this Agreement, nor any act of the Parties, shall be deemed or construed by any of the Parties hereto or by third parties, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving any of the Parties.

8.11. Modification or Amendment. This Agreement may not be altered, modified or amended except by a written instrument signed by both Parties.

8.12. No Implied Waivers. No waiver by either Party of any breach of any provision of this Agreement will be a waiver of any continuing or succeeding breach of the breached provision, a waiver of the breached provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to, or demand on, either Party in any case will, of itself, entitle that Party to any further notice or demand in similar or other circumstances.

8.13. Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) facsimile (fax); (c) overnight courier; or (d) registered or certified first class mail, return receipt requested.

To the City: City of Chicago  
Department of Planning and Development  
Attention: Commissioner  
City Hall, Room 1000  
121 N. LaSalle Street  
Chicago, Illinois 60602  
(312) 744-4190  
(312) 744-2271 (Fax)

With copies to: City of Chicago  
Department of Law  
Attention: Finance and Economic Development Division  
City Hall, Room 600  
121 N. LaSalle Street  
Chicago, Illinois 60602  
(312) 744-0200  
(312) 742-0277 (Fax)

To the Park District: Chicago Park District  
Attention: General Superintendent  
541 North Fairbanks  
Chicago, Illinois 60611  
(312) 742-4200  
(312) 742-5276 (Fax)

With copies to: Chicago Park District  
General Counsel  
541 North Fairbanks, Room 300  
Chicago, Illinois 60611  
(312) 742-4602  
(312) 742-5316 (Fax)

Such addresses may be changed by notice to the other Party given in the same manner provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) above shall be deemed received upon such personal service or dispatch. Any notice, demand or request sent pursuant to clause (c) above shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to clause (d) above shall be deemed received two business days following deposit in the mail.

8.14. Remedies Cumulative. The remedies of a Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such Party unless specifically so provided herein.

8.15. Representatives. Immediately upon execution of this Agreement, the following individuals will represent the Parties as a primary contact in all matters under this Agreement.

For the City: Nelson Chueng  
City of Chicago  
Department of Planning and Development  
City Hall, Room 1101  
121 N. LaSalle Street  
Chicago, Illinois 60602  
(312) 744-5756  
(312) 744-7996 (Fax)

For the Park District: Heather Gleason  
Chicago Park District  
Director of Planning and Construction  
541 North Fairbanks  
Chicago, Illinois 60611  
(312) 742-4685  
(312) 742-5347 (Fax)

Each Party agrees to promptly notify the other Party of any change in its designated representative, which notice shall include the name, address, telephone number and fax number of the representative for such Party for the purpose hereof.

8.16. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the

**IN WITNESS WHEREOF**, each of the Parties has caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CHICAGO, a municipal corporation, by  
and through its Department of Planning and  
Development

By: \_\_\_\_\_  
David L. Reifman  
Commissioner

CHICAGO PARK DISTRICT a body politic and  
corporate of the State of Illinois

By: \_\_\_\_\_  
Michael P. Kelly  
General Superintendent and CEO

ATTEST

By: \_\_\_\_\_  
Kantrice Ogletree  
Secretary

EXHIBIT A

THE PROPERTY

Legal Description

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

THAT PART OF SECTION 12, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE NORTH 89 DEGREES 59 MINUTES 59 SECONDS EAST ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, ALSO BEING THE NORTH LINE OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, A DISTANCE OF 33.00 FEET TO A POINT ON A LINE THAT IS 33.00 FEET EAST OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE WEST LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, FOR A POINT OF POINT OF BEGINNING; THENCE NORTH 89 DEGREES 59 MINUTES 59 SECONDS EAST ALONG SAID NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, A DISTANCE OF 623.97 FEET TO THE EAST LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE SOUTH 00 DEGREES 00 MINUTES 01 SECONDS EAST ALONG SAID EAST LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, A DISTANCE OF 33.00 FEET TO A POINT ON A LINE THAT IS 33.00 SOUTH OF AS MEASURED AT RIGHT ANGLES TO AND PARALLEL WITH THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12, ALSO BEING THE SOUTH RIGHT OF WAY LINE OF FORTY-EIGHTH STREET, A DISTANCE OF 615.90 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF SOUTH WESTERN AVENUE SAID POINT ALSO BEING 50.00 FEET WEST OF THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 12; THENCE SOUTH 00 DEGREES 05 MINUTES 07 SECONDS WEST ALONG SAID WEST RIGHT OF WAY LINE, A DISTANCE OF 617.90 FEET TO A POINT ON A LINE THAT IS 13.00 FEET NORTH OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE SOUTH 89 DEGREES 59 MINUTES 27 SECONDS WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 200.00 FEET TO A POINT ON A LINE THAT IS 200.00 WEST OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH SAID WEST RIGHT OF WAY LINE OF SOUTH WESTERN AVENUE; THENCE NORTH 00 DEGREES 05 MINUTES 07 SECONDS EAST ALONG SAID PARALLEL LINE A DISTANCE OF 20.00 FEET TO A POINT THAT IS 33.00 FEET NORTH OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE SOUTH 89 DEGREES 59 MINUTES 27 SECONDS WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 1081.73 FEET TO THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE NORTH 00 DEGREES 04 MINUTES 18 SECONDS EAST ALONG SAID WEST LINE A DISTANCE OF 33.00 FEET TO A POINT THAT IS 66.00 FEET NORTH OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE SOUTH 89 DEGREES 59 MINUTES 27 SECONDS WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 40.00 FEET TO A POINT ON A LINE THAT IS 40.00 FEET WEST OF AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE WEST LINE OF THE NORTHEAST



EXHIBIT B

PROJECT BUDGET

Sources

City TIF Funds \$8,650,000

Total Sources \$8,650,000

Uses

Property Acquisition \$8,650,000

Total Uses \$8,650,000

EXHIBIT C  
Form of Certificate of Expenditure

STATE OF ILLINOIS )  
  )SS  
COUNTY OF COOK )

The affiant, Chicago Park District (the "**Park District**"), an Illinois municipal corporation, hereby certifies that with respect to that certain Intergovernmental Agreement between the Park District and the City of Chicago dated \_\_\_\_\_, \_\_\_\_ (the "**Agreement**"):

A. Expenditures for the Project, in the total amount of \$ \_\_\_\_\_, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date:  
\$ \_\_\_\_\_

C. The Park District requests reimbursement for the following cost of TIF-Funded Improvements: \$ \_\_\_\_\_

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. The Park District hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and the Park District is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute a Default, exists or has occurred.

3. The Park District has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Plans and Specifications.

4. The Park District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time-to-time, pertaining to or affecting the Project or the Park District as related thereto.

All capitalized terms which are not defined herein has the meanings given such terms in the Agreement.

Chicago Park District

By: \_\_\_\_\_  
Name

Title: \_\_\_\_\_

Subscribed and sworn before me this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
My commission expires: \_\_\_\_\_

Agreed and accepted:

\_\_\_\_\_  
Name  
Title: \_\_\_\_\_  
City of Chicago  
Department of Planning and Development