



City of Chicago



O2021-755

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 2/24/2021

Sponsor(s): Lightfoot (Mayor)

Type: Ordinance

Title: Intergovernmental agreement with Chicago Park District to provide tax increment financing (TIF) funds for renovation and repair of field house, exterior lighting, and pedestrian seating improvements to Hermosa Park at 2240 N Kilbourn Avenue

Committee(s) Assignment: Committee on Finance

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OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

February 24, 2021

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 ordinances authorizing the execution of intergovernmental agreements with the Chicago Park District regarding expenditure of TIF funds for park improvements and playground repairs.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

A handwritten signature in black ink that reads "Lori E. Lightfoot".

Mayor

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 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, under 65 ILCS 5/11-74.4-3(q)(7), 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 a redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs; and

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

WHEREAS, the Park District is engaged in an ongoing program of construction and renovation projects at its parks and other Park District facilities ("Park Projects"); and

WHEREAS, an ordinance with record number O2021-442 was introduced at the January 27, 2021 meeting of the City Council of the City (the "City Council") with a form of an intergovernmental agreement attached thereto for a project at Donovan Park (the "Form Agreement"); and

WHEREAS, the Park District owns a park identified in Exhibit A (the "Park") located on the property identified and legally described in Exhibit A (the "Property"); and

WHEREAS, the Park District desires to undertake certain improvements to the Park as identified in Exhibit A (the "Project"); and

WHEREAS, the Property lies wholly within the boundaries of the Redevelopment Area (as hereinafter defined); and

WHEREAS, in accordance with the provisions of the Act, the City Council: (i) approved and adopted a redevelopment plan and project (the "Plan") for a portion of the City identified on Exhibit A (the "Redevelopment Area"); (ii) designated the Redevelopment Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the

Redevelopment Area, pursuant to ordinances (collectively, the “TIF Ordinances”) adopted on the date (or dates, if subsequently amended) and published in the Journal for such date(s), identified on Exhibit A; and

WHEREAS, Increment collected from the Redevelopment Area shall be known as the “Redevelopment Area Increment”; and

WHEREAS, the Department of Planning and Development of the City desires to use a portion of the Redevelopment Area Increment in an amount not to exceed the amount identified in Exhibit A for the purpose of wholly or partially funding certain costs of the Project (the “TIF-Funded Improvements”) to the extent and in the manner provided in this ordinance and the Agreement (as hereinafter defined); and

WHEREAS, a detailed budget for the Project (the “Project Budget”) and an itemized list of the TIF-Funded Improvements are each incorporated into Exhibit A; 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 Redevelopment Area; 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 similar form to the Form Agreement, substituting the Project-specific terms with the information contained in Exhibit A, whereby the City shall pay for or reimburse the Park District for the TIF-Funded Improvements related to the Project (the “Agreement”); 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. The Commissioner of Planning and Development and a designee are each hereby authorized, subject to approval by the City’s Corporation Counsel, to negotiate, execute and deliver the Agreement and such other documents as may be necessary to carry out and comply with the provisions of the Agreement, with such changes, deletions and insertions as shall

be approved by the persons executing the Agreement on behalf 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.

EXHIBIT A

1. **Park:** Hermosa Park
2. **Property:**
 - a. **Common Address:** 2240 N. Kilbourn Avenue, Chicago, IL 60639
 - b. **Legal Description:**

LOTS ONE (1) TO FIFTY (50), BOTH INCLUSIVE, IN BLOCK ONE (1) OF PATTERSON'S SUBDIVISION OF THE SOUTH WEST QUARTER (S.W. ¼) OF THE NORTHEAST QUARTER (N.E. ¼) OF THE NORTH WEST QUARTER (N.W. ¼) OF SECTION THIRTY FOUR (34), TOWNSHIP FORTY (40) NORTH, RANGE THIRTEEN (13) EAST OF THE THIRD PRINCIPAL MERIDIAN, INCLUDING IN THIS CONVEYANCE ANY AND ALL REVERSIONARY RIGHTS WHICH THE GRANTORS HAVE IN OR TO THE ALLEY IN SAID BLOCK ONE (1) AND IN OR TO THE PUBLIC STREETS ABUTTING OR ADJACENT TO SAID BLOCK ONE (1), SITUATED IN THE CITY OF CHICAGO, IN THE COUNTY OF COOK, STATE OF ILLINOIS.
 - c. **Permanent Index Numbers ("PINS"):** 13-34-111-001-0000
3. **Project:** The Park District shall renovate the Hermosa Park Field House including roof replacement and interior restoration of water damaged areas. Site improvements will also include pathway paving to improve access, ballfield lighting, landscaping and installation of picnic tables and/or benches.
4. **Amount of Redevelopment Area Increment:** Not to exceed \$650,000
5. **Project Budget:**

Sources	Amount
Northwest Industrial Corridor TIF	\$650,000
Total	\$650,000

Uses	Amount
Roof Replacement and interior restoration work	\$500,000
Site Improvements to include paving, seating, ballfield lighting, landscape	\$150,000

Total	\$650,000
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6. **Redevelopment Area:** Northwest Industrial Corridor Redevelopment Project Area

7. **Date of adoption and Journal page numbers of TIF Ordinances (including any amendments):** Under ordinances adopted on December 2, 1998, and published in the Journal of Proceedings (the "Journal") of the City Council of the City (the "City Council") for such date at pages 86178 to 86396, the City Council: (i) approved a redevelopment plan and project (the "Northwest Industrial Corridor Plan") for the Northwest Industrial Corridor Redevelopment Project Area; (ii) designated the Northwest Industrial Corridor Redevelopment Project Area as a "redevelopment project area" within the requirements of the Act; and (iii) adopted tax increment financing for the Northwest Industrial Corridor Redevelopment Project Area. The Northwest Industrial Corridor Plan was amended pursuant to ordinances adopted on May 12, 2010 and November 21, 2017.