



Office of the City Clerk

City Hall
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Legislation Details (With Text)

File #: O2020-3996

Type: Ordinance **Status:** Passed

File created: 7/22/2020 **In control:** City Council

Final action: 1/27/2021

Title: Bond inducement language regarding Chicago O'Hare International Airport Special Facility Revenue Bonds for benefit of Transportation Infrastructure Properties LLC and/or Aero O'Hare II LLC or affiliates

Sponsors: Lightfoot, Lori E.

Indexes: BONDS & BOND ISSUES, O'Hare

Attachments: 1. O2020-3996.pdf, 2. O2020-3996 (V1).pdf

Date	Ver.	Action By	Action	Result
2/20/2021	1	Office of the Mayor	Signed by Mayor	
1/27/2021	1	City Council	Passed	Pass
1/25/2021	1	Committee on Finance	Recommended to Pass	
7/22/2020	1	City Council	Referred	

To the President and Members of the City Council:

Your Committee on Finance having had under consideration a communication evidencing intent on the part of the City of Chicago and Department of Aviation to issue Chicago O'Hare International Special facility Revenue Bonds in an amount not to exceed \$55,600,000.00 for the benefit of Transportation Infrastructure Properties. LLC and/or Aero O'Hare II, LLC or affiliates thereof.

Amount: not to exceed \$55,600,000.00

02020-3996

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

This recommendation was concurred in by viva voce vote of members of the committee with 0 dissenting vote(s).

Rule 14: Aid. Burke

Chairman

Respectfully submitted,

OFFICE OF THE MAYOR

CITY OF CHICAGO
LORI E. LIGHTFOOT MAYOR

July 22, 2020

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 issuance of bond inducement language in conjunction with a lease agreement with Aero Chicago II, LLC at O'Hare International Airport.

Your favorable consideration of this ordinance will be appreciated.

An Ordinance Declaring Intent to Issue City of Chicago Chicago O'Hare International Airport Special Facility Revenue Bonds in an Aggregate Principal Amount Not to Exceed \$55,600,000 for the Benefit of Transportation Infrastructure Properties, LLC and/or Aero O'Hare II, LLC or Affiliates Thereof

Whereas, the City of Chicago (the "City"), is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution") having a population in excess of 25,000 and is a home rule unit of local government under Section 6(a) of Article VII of the Constitution; and

Whereas, the City owns and operates an airport known as Chicago O'Hare International Airport (the "Airport"); and

Whereas, the City leases certain property at the Airport to affiliates of Transportation Infrastructure Properties, LLC, a Delaware limited liability company, including Aero Chicago II, LLC, a Delaware limited liability company, and (collectively, and together with one or more affiliates of either or both such entities, the "Borrower") pursuant to the Aero Chicago II, LLC Cargo Facility Phase III Lease, to be entered into between City of Chicago and Aero Chicago II, LLC, at Chicago O'Hare International Airport, which facilities are to be managed by Aeroterm, US, Inc.; and

Whereas, the Borrower has requested that the City issue its special facility airport revenue bonds, notes or other indebtedness in an amount not to exceed Fifty-Five Million Six Hundred Thousand Dollars (\$55,600,000) (the "Bonds") in one or more series (and which series may be for the benefit of separate Borrower affiliates) for the purpose of financing costs of acquisition, construction and equipping of the NE Cargo/O'Hare International Airport Cargo Center, Phase 3 (the "Project"), consisting of multiple aircraft positions, a warehouse building with office space and related roadway and other improvements, expected to cost up to \$55,600,000.00 million (and to be financed with, Bonds in an aggregate principal amount not to exceed \$55,600,000), located at the Airport; and ^

Whereas, it is intended that the interest on the Bonds will be excluded from gross income for federal income tax purposes; and

Whereas, it is intended that this ordinance shall constitute a declaration of intent to reimburse certain eligible expenditures for the Project made prior to the issuance of the Bonds from the proceeds of the Bonds (if and when issued) within the meaning of Section 1.150-2 of the Treasury Regulations promulgated under the Internal Revenue Code of 1986, as amended (the "Treasury Regulations"); and

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 intends to issue the Bonds and lend the proceeds thereof to the Borrower for the purpose of financing costs of the Project. The maximum aggregate principal amount of Bonds which the City intends to issue for the Project will not exceed Fifty-Five Million Six Hundred Thousand Dollars) (\$55,600,000 with respect to the Project.

Section 3. Certain costs may be incurred by the Borrower in connection with the Project prior to the issuance of the Bonds. The City reasonably expects to reimburse such costs with proceeds of the Bonds.

Section 4. The costs to be reimbursed will be paid from funds of the Borrower which have been allocated to other purposes.

Section 5. This ordinance is consistent with the budgetary and financial circumstances of the City. No funds from sources other than the Bonds are, or are reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside by the City for costs of the Project to be paid from the proceeds of the Bonds.

Section 6. This ordinance constitutes a declaration of official intent under Section 1.150-2 of the Treasury Regulations.

Section 7. This ordinance is adopted pursuant to the powers of the City as a home rule unit under Article VII, Section 6(a) of the Constitution. The Mayor of the City, the City Clerk, the City Comptroller, the Chief Financial Officer of the City, and/or the Commissioner of the Chicago Department of Aviation (collectively, the "Authorized Officers"), for and on behalf of the City, shall be, and hereby are, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this ordinance and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this ordinance. The Authorized Officers and other officers, agents and employees of the City are hereby further authorized and empowered for and on behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this ordinance.

Section 8. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, 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 of the other provisions of this ordinance.

Section 9. This ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor of the City.