



Office of the City Clerk

City Hall
121 N. LaSalle St.
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Legislation Details (With Text)

File #: O2019-2715
Type: Ordinance **Status:** Passed
File created: 4/10/2019 **In control:** City Council
Final action: 6/12/2019

Title: First amendment to North Pullman redevelopment agreement with Chicago Neighborhood Initiatives, Inc. for extension of project completion date

Sponsors: Emanuel, Rahm

Indexes: Redevelopment

Attachments: 1. O2019-2715 (V1).pdf, 2. O2019-2715.pdf

Date	Ver.	Action By	Action	Result
6/12/2019	1	City Council	Passed	Pass
6/11/2019	1	Committee on Finance	Recommended to Pass	
4/10/2019	1	City Council	Referred	

ORDINANCE

WHEREAS, as a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, the City of Chicago (the "City") has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals; 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 blighted conditions through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, pursuant to an ordinance adopted by the City Council (the "City Council") of the City on June 30, 2009, a certain redevelopment plan and project (the "Plan") for the North Pullman Redevelopment Project Area (the "Area") was approved pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on June 30, 2009, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on June 30, 2009, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, pursuant to an ordinance adopted by the City Council on May 23, 2018, the City entered into that certain North Pullman Redevelopment Project Area Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement (Gotham Greens Greenhouse Facility) (the "Redevelopment Agreement") dated as of June 13, 2018 and recorded on June 28, 2018 as Document Number 1817934021 in the Office of the Cook County Recorder of Deeds with Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation (the "Developer"); and

WHEREAS, under the terms of the Redevelopment Agreement, the Developer was required to acquire certain property within the Area and to commence and complete site and infrastructure work, including ground stabilization, grading, environmental remediation, extension of wet and dry utilities, and storm water detention facilities (the "Project"), in order to prepare the property to sell to Gotham Greens Chicago, LLC, an Illinois limited liability company, for construction of an approximately 88,000 square foot greenhouse facility and approximately 17,000 square feet of office/support space; and

WHEREAS, subsequent to the execution of the Redevelopment Agreement, the Developer has encountered unforeseen delays in completing the Project within the time frames, including extensions allowed pursuant to change orders, required by the Redevelopment Agreement; and

WHEREAS, the Developer has requested that the completion date for the Project be extended to July 1, 2019, and the City's Department of Planning and Development ("DPD"), for good cause shown, desires to grant such request; and

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WHEREAS, such aforementioned change to the completion date for the Project requires an amendment to certain provisions of the Redevelopment Agreement; now therefore,

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

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Commissioner (the "Commissioner") of DPD or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a first amendment to the Redevelopment Agreement in substantially in the form attached hereto as Exhibit A and made a part hereof (the "First Amendment"), and such other supporting documents as may be necessary to carry out and comply with the provisions of the First Amendment, with such changes, deletions and insertions as shall be approved by the persons executing the First Amendment. The Commissioner or a designee of the Commissioner is each hereby authorized to give such approvals and consents on behalf of the City as are expressly provided for in the First Amendment. All undefined capitalized terms used herein have the meanings ascribed to , them in the Redevelopment Agreement, unless otherwise noted.

SECTION 3. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 4. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall be in full force and effect immediately upon its passage and approval.

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EXHIBIT A

First Amendment to the Redevelopment Agreement (see attached)

This agreement was prepared by and after recording
return to: Keith A. May
City of Chicago Law Department 121 North LaSalle Street,
Room 600 Chicago, IL 60602

**FIRST AMENDMENT TO NORTH PULLMAN REDEVELOPMENT
PROJECT AREA CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT AGREEMENT (GOTHAM GREENS
GREENHOUSE FACILITY)**

This First Amendment to the Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement (Gotham Greens Greenhouse Facility) (the "First Amendment") is made as of this day of _____, 2019, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development, and Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation (the "Developer").

RECITALS

A. As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "State"), the City has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals.

B. 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 blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects.

C. To induce redevelopment pursuant to the Act, the City Council of the City (the "the City Council") adopted the following ordinances on June 30, 2009: (1) "Approval of North Pullman Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project;" (2) "Designation of North Pullman Redevelopment Project Area as a Redevelopment Project Area Pursuant to Tax Increment Allocation Redevelopment Act;" and (3) "Adoption of Tax Increment Allocation Financing for the North Pullman Redevelopment Project Area" (the "TIF Adoption Ordinance"), (collectively referred to herein as the "TIF Ordinances").

D. Pursuant to an ordinance adopted by the City Council on May 23, 2018, the City entered into

that certain North Pullman Redevelopment Project Area Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement (Gotham Greens Greenhouse Facility) (the "Redevelopment Agreement") dated as of June 13, 2018 and recorded on June 28, 2018 as Document Number 1817934021 in the Office of the Cook County Recorder of Deeds with the Developer.

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E. Subsequent to the execution of the Redevelopment Agreement, the Developer has encountered unforeseen delays in completing the Project within the time frames, including extensions allowed pursuant to change orders, required by the Redevelopment Agreement. The Developer and the City have agreed to enter into this First Amendment to memorialize changes to the Redevelopment Agreement, which includes an extension of time for the Developer to complete the Project to July 1, 2019.

F. Such aforementioned change to the completion date of the Project requires an amendment of the Redevelopment 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:

SECTION ONE: INCORPORATION; DEFINITIONS

1. The recitals set forth above and the exhibits attached hereto are incorporated herein by reference and made a part hereof.

2. Any capitalized term used but not otherwise defined herein shall have the same meaning as set forth in the Redevelopment Agreement.

SECTION TWO. AMENDMENT TO THE REDEVELOPMENT AGREEMENT.

2.01. Section 3.01 of the Redevelopment Agreement is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

"3.01 The Project. Developer will commence and complete construction of the Project no later than ~~December 31, 2018~~ July 1, 2019, subject to: (a) Section 18.17 (Force Majeure); (b) applicable Change Orders, if any, issued under Section 3.04; (c) the receipt of all applicable permits and Project approvals; and (d) issuance of a "No Further Remediation" letter, which shall not be required to be completed by ~~December 31, 2018~~ July 1, 2019, but which shall be diligently pursued to completion."

SECTION THREE. MISCELLANEOUS.

1. Except as amended hereby, the provisions of the Redevelopment Agreement remain in full force and effect in accordance with its terms.

2. In the event of any conflict between the provisions of the Redevelopment Agreement and the provisions of this First Amendment, the provisions of this First Amendment shall control.

3. All prior agreements, whether written or oral, regarding the amendment of the Redevelopment Agreement are superseded by this First Amendment.

4. This First Amendment may be executed in counterparts, each of which shall be deemed an original.

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3.05. The Developer shall cause one original counterpart of this First Amendment to be promptly recorded and filed hereof in the conveyance and real property records of Cook County, Illinois against the Property (as legally described on Exhibit A to this First Amendment). The Developer will pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer will immediately transmit to the City an executed original of this First Amendment showing the date and recording number of record.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

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IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to the Redevelopment Agreement to be executed on or as of the day and year first above written.

**CHICAGO NEIGHBORHOOD INITIATIVES, INC., an Illinois not
-for-profit corporation**

By: _____ :

David Doig President

CITY OF CHICAGO

By:

David L. Reifman
Commissioner,
Department of Planning and Development

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that David Doig, personally known to me to be the President of Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by Developer, as his free and voluntary act and as the free and voluntary act of Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this _____ day of _____, 2019.

Notary Public

My Commission Expires

(SEAL)
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that David L. Reifman, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument pursuant to the authority given to him by the City, as his free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this _____ day of _____, 2019.

Notary Public

My Commission Expires

(SEAL)

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

LOT 1 IN PULLMAN PARK - PHASE 1, BEING A SUBDIVISION OF PART OF THE WEST HALF OF SECTION 14, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO PLAT THEREOF RECORDED ON JULY 19, 2011 AS DOCUMENT 1120029049.

PIN: 25-14-100-049-0000

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OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

April 10, 2019

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 ordinance amending a previously executed redevelopment agreement with CNI.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

O

To the President and Members of the City Council:

Your Committee on Finance having had under consideration an ordinance authorizing the approval of the First Amendment to the Redevelopment Agreement with Chicago Neighborhood Initiatives, Inc.

02019-2715

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 of members of the committee with

Respectfully submitted