



# Office of the City Clerk

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## Legislation Details (With Text)

**File #:** O2020-1817  
**Type:** Ordinance  
**Status:** Passed  
**File created:** 3/12/2020  
**In control:** City Council  
**Final action:** 4/24/2020  
**Title:** Utilization of Tax Increment Financing (TIF) funds and corporate funds for implementation of INVEST South/West program  
**Sponsors:** Waguespack, Scott  
**Indexes:** Miscellaneous  
**Attachments:** 1. O2020-1817.pdf

| Date      | Ver. | Action By            | Action              | Result |
|-----------|------|----------------------|---------------------|--------|
| 4/24/2020 | 1    | City Council         | Passed              | Pass   |
| 3/12/2020 | 1    | Committee on Finance | Recommended to Pass |        |
| 3/12/2020 | 1    | Committee on Finance | Direct Introduction |        |

### ORDINANCE

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**2020 MAR 18 m 10:**

WHEREAS, the City of Chicago ("City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, is authorized under the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, the City has created a program known as "INVEST South/West" to marshal the resources of multiple City departments, community-based organizations and corporate partners toward ten (10) neighborhoods on the City's South and West sides (the "INVEST South/West Neighborhoods"); and

WHEREAS, INVEST South/West is designed to be a collaborative effort among government, businesses, philanthropies, and community leaders to maximize public investments in order to attract private capital, respond to changing commercial trends and enrich local culture; and

WHEREAS, the primary goal of INVEST South/West is to re-activate neighborhood cores that have historically served as focal points for pedestrian activity, shopping, services, transportation, public spaces and quality-of-life amenities for local residents; and

WHEREAS, as part of INVEST South/West, the City has identified twelve (12) commercial corridors listed in Exhibit A to this ordinance, which is incorporated herewith and made a part hereof (the "Priority Corridors"), in the INVEST South/West Neighborhoods for the purpose of receiving targeted support in order to spur economic development; and

WHEREAS, the City has identified a need for technical assistance from an organization with expertise in helping to revitalize urban commercial districts in order to successfully implement INVEST South/West objectives in the Priority Corridors; and

WHEREAS, Main Street America ("MSA") is a program of the non-profit National Main Street Center,

Inc. ("NMSC"), which was formed by the National Trust for Historic Preservation, that has been helping revitalize older and historic urban commercial districts across the United States for more than thirty-five (35) years by focusing on place-based economic development strategies; and

WHEREAS, the City wishes to enter into an agreement with NMSC for MSA to perform technical services described in Exhibit B to this ordinance, which is incorporated herewith and made a part hereof (the "Scope of Services"), for the City for a term not to exceed five (5) years and compensation not to exceed \$500,000 per year from corporate funds of the City, subject to annual appropriation (the "NMSC Agreement"); and

WHEREAS, the City further desires to provide targeted funding to the Priority Corridors for the purpose of marketing sites within the Priority Corridors to prospective businesses, developers and investors and marketing various economic development programs and incentives (the "Marketing Program");<sup>1</sup> and

WHEREAS, the City Council desires to authorize the Department of Planning and Development ("DPD") to fund the Marketing Program in the 47<sup>th</sup>/Ashland Priority Corridor in an

amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2024 from incremental taxes from the 47<sup>th</sup>/Ashland redevelopment project area, or any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in the 63<sup>rd</sup> /Halsted Priority Corridor in an amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2024 from incremental taxes from the Englewood Neighborhood and Englewood Mall redevelopment project areas (in a proportion to be determined by an-Authorized-Officer), or any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in the 79<sup>th</sup> Street (Ashland to Lowe) Priority Corridor in an amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2024 from incremental taxes from the 79<sup>th</sup> Street Corridor redevelopment project area, or any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in the Chicago Ave. (Austin to Cicero) Priority Corridor in an amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2024 from incremental taxes from the Austin Commercial and Northwest Industrial Corridor redevelopment project areas (in a proportion to be determined by an Authorized Officer), or any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in the Chicago Ave. (Kedzie to Pulaski) Priority Corridor in an amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2024 from incremental taxes from the Chicago/Central Park and Northwest Industrial Corridor redevelopment project areas (in a proportion to be determined by an Authorized Officer), or any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in the Cottage Grove (42<sup>nd</sup> Street to 47<sup>th</sup> Street) in an amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2025 from incremental taxes from the 43<sup>rd</sup>/Cottage Grove redevelopment project area, or any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in the North Ave. (Lowell to Kedzie) Priority Corridor in an amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2024 from incremental taxes from the Humboldt Park and Pulaski Industrial Corridor redevelopment project areas (in a proportion to be determined by an Authorized Officer), or any other funds

legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in the Ogden Ave. (Kedzie to Pulaski) Priority Corridor in an amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2024 from incremental taxes from the Ogden/PHlaski-redevelopment-Project\_arje.a\_,\_oji\_any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in

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the 79<sup>th</sup> Street (Stony Island to Exchange) Priority Corridor in an amount not to exceed \$100,000 in each calendar year (the "Annual Maximum") beginning in 2020 and ending in 2024 from incremental taxes from the Avalon Park/South Shore and 71<sup>st</sup>/Stony Island redevelopment project areas (with such incremental taxes from the 71<sup>st</sup>/Stony Island redevelopment project area not to exceed five percent (5%) of the Annual Maximum) or any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in the Commercial Ave. (87<sup>th</sup> Street to 92<sup>nd</sup> Street) Priority Corridor in an amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2024 from incremental taxes from the Commercial Avenue and South Chicago redevelopment project areas (in a proportion to be determined by an Authorized Officer), or any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in the 111<sup>th</sup> Street/Pullman National Monument Priority Corridor in an amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2024 from incremental taxes from the Lake Calumet Industrial Corridor redevelopment project area, or any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to fund the Marketing Program in the Michigan Ave. (111<sup>th</sup> Street to 119<sup>th</sup> Street) Priority Corridor in an amount not to exceed \$100,000 in each calendar year beginning in 2020 and ending in 2024 from incremental taxes from the 107<sup>th</sup>/Halsted and Roseland/Michigan redevelopment project areas (in a proportion to be determined by an Authorized Officer), or any other funds legally available to the City for this purpose; and

WHEREAS, the City Council desires to authorize DPD to designate Local Initiatives Support Corporation, a New York not-for-profit corporation, to partner with the City to achieve the objectives of the Marketing Program (the "Project Manager") and to enter into an agreement with the Project Manager to manage the Marketing Program in the Priority Corridors for a term not to exceed five (5) years and total compensation not to exceed \$1,200,000 per year (the "Program Agreement"); and

WHEREAS, the Program Agreement will require the Project Manager to perform, or to hire or contract with individuals or organizations to perform, the work responsibilities described in Exhibit C to this ordinance, which is incorporated herewith and made a part hereof, and to authorize the Project Manager to compensate such individuals or organizations from funds authorized by this ordinance; and

WHEREAS, all work required by the Program Agreement shall be completed on or before December 31, 2024 and shall only be performed in portions of each Priority Corridor that are located within a redevelopment project area from which funding has been authorized by this ordinance; and

WHEREAS, no payment or reimbursement shall be made to the Project Manager pursuant to the Program Agreement from incremental taxes from a redevelopment project area for any costs that are not eligible for payment or reimbursement under the Act; now, therefore,

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

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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 Commissioner of DPD or a designee of the Commissioner of DPD (each, an "Authorized Officer") are each hereby authorized, with the approval of the City's Corporation Counsel as to legal form, to negotiate, execute and deliver the NMSC Agreement between the City and NMSC, and such other supporting documents as may be necessary to carry out and comply with the provisions of this ordinance, with such changes, deletions and insertions as shall be approved by the persons executing the NMSC Agreement.

SECTION 3. An Authorized Officer is hereby authorized, with the approval of the City's Corporation Counsel as to legal form, to negotiate, execute and deliver the Program Agreement between the City and the Project Manager, and such other supporting documents as may be necessary to carry out and comply with the provisions of this ordinance, with such changes, deletions and insertions as shall be approved by the persons executing the Program Agreement.

SECTION 4. An Authorized Officer is hereby authorized to execute such documents as may be necessary to implement this ordinance, subject to the approval of the Corporation Counsel.

SECTION 5. An Authorized Officer shall publish maps of the Priority Corridors prior to the execution of the Program Agreement and update the maps promptly after any changes to the boundaries of any Priority Corridor.

SECTION 6. 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 7. This ordinance shall be effective immediately upon its passage and approval.

**Exhibit A**

*Priority Corridors*

The following are the Priority Corridors designated by the City\*\*:

1. 2. 3. 4.

- 47<sup>th</sup>/Ashland; 63rd/Halsted;
- 79<sup>th</sup> Street (Ashland to Lowe); Chicago Ave. (Austin to Cicero),
- 5. Chicago Ave. (Kedzie to Pulaski);
- 6. Cottage Grove (42<sup>nd</sup> Street to 47<sup>th</sup> Street);
- 7. North Ave. (Lowell to Kedzie);
- 8. Ogden Ave. (Kedzie to Pulaski);
- 9. 79<sup>th</sup> Street (Stony Island to Exchange);
- 10. " Commercial Ave. (87<sup>th</sup> Street to 92<sup>nd</sup> Street);
- 11. 111<sup>th</sup> Street/Pullman National Monument;
- 12. Michigan Ave. (111<sup>th</sup> Street to 119<sup>th</sup> Street).

\*\* The boundaries of the Priority Corridors shall be established by DPD, subject to modification from time to time.

**Exhibit B**

*Scope of Services for NMSC Agreement*

Main Street America (MSA) will provide the following services to the City to assist with the revitalization of commercial corridors, with priority given to Priority Corridors:

- "Training services to" DPD staff
  - o Strategies for revitalizing local economies;
  - o Leadership development training;
  - o Entrepreneurial ecosystem development;
  - o Comprehensive Main Street Approach planning;
  - o Urban district revitalization support;
  - o Building tailor-made organizational plans suited for each INVEST South/West commercial corridor; and
  - o Additional services, as determined by DPD
- Provide workshops and training to community organizations in the City, with priority given to INVEST South/West community-based organizations (CBOs), DPD Staff and the INVEST South/West Project Manager
  - o Develop local commercial workshops strategically designed to provide stakeholder convening opportunities to learn about innovative methods and practices;
  - o Attend the annual Illinois Main Street Conference;
  - o Attend the annual National Main Street Now Conference; and
  - o Additional services, as determined by DPD

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Exhibit C

*Work Responsibilities of the Project Manager*

The Project Manager shall perform, or hire or contract with individuals or organizations to perform, some or all of the following responsibilities, as agreed to by DPD:

1. Promote each Priority Corridor by managing business attraction and retention strategies;
2. Identify and follow up with prospective businesses and helping to identify landlords and maintaining a current database of existing businesses and available spaces in each Priority Corridor;
3. Work with landlords to assist in renting storefronts in each Priority Corridor;
4. Provide information to property owners, businesses and other interested parties about economic development programs offered by the City;
5. Oversee the marketing and branding of each Priority Corridor;
6. Maintain strong relationships with business owners to make sure businesses are retained in each Priority Corridor;
7. Participate in events promoting local businesses;
8. Staff Priority Corridor business committees;
9. Integrate business issues into Priority Corridor planning and management;
10. Monitor the implementation and update the annual progress of the plans for each Priority Corridor;
11. Attend professional development sessions coordinated by DPD and MSA;
12. Provide information to CDFIs to augment business financial options;
13. Manage/ oversee the vacant lot opportunity project implementation and maintenance;
14. Identify and engage minority professionals (architects, graphic designers, construction/cost estimators and marketing/branding professionals) with experience in commercial corridors similar to the Priority Corridors to help develop strategies for marketing sites within the Priority Corridors; and
15. Perform such other responsibilities as may be required by DPD.