



# Office of the City Clerk

City Hall  
121 N. LaSalle St.  
Room 107  
Chicago, IL 60602  
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## Legislation Details (With Text)

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**File #:** O2020-4570

**Type:** Ordinance      **Status:** Failed to Pass

**File created:** 9/9/2020      **In control:** City Council

**Final action:** 5/24/2023

**Title:** Intergovernmental agreement with Chicago Transit Authority for tax incremental financing (TIF) assistance to provide life safety improvements to Blue Line Dearborn St subway between W Arcade PI and W Marble PI

**Sponsors:** Lightfoot, Lori E.

**Indexes:** Improvement, Intergovernmental

**Attachments:** 1. O2020-4570.pdf

Date	Ver.	Action By	Action	Result
5/24/2023	1	City Council	Failed to Pass	
9/9/2020	1	City Council	Referred	

OFFICE OF THE MAYOR

CITY OF CHICAGO

LORI E. LIGHTFOOT  
MAYOR

September 9, 2020

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 for TIF assistance with the Chicago Transit Authority.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours.

## ORDINANCE

WHEREAS, the City of Chicago (the "City") is a home rule unit of government as described in Section 6(a), Article VII of the 1970 Constitution of the State of Illinois; and

WHEREAS, the Chicago Transit Authority (the "CTA") is a municipal corporation of the State of Illinois; 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 (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 three ordinances adopted on November 15, 2006, an amending ordinance adopted on February 7, 2007, and an amending ordinance adopted on May 9, 2007, the City Council of the City (the "City Council"): (i) approved a certain redevelopment plan and project (the "Plan") for the LaSalle Central Redevelopment Project Area (the "Area") within the City; (ii) designated the Area as a redevelopment project area; and (iii) adopted tax increment allocation financing (the "TIF Adoption Ordinance") for the Area; and

WHEREAS, under the Act and the TIF Adoption Ordinance, certain taxes are allocated and, when collected, are paid to the Treasurer of the City for deposit by the Treasurer into the TIF Fund (as defined in the TIF Adoption Ordinance) established to pay redevelopment project costs incurred within the Area, which taxes may be used to pay all or a portion of the costs of construction of public improvements within the Area that are incurred or that are to be incurred in furtherance of the objectives of the Plan, to the extent the municipality by written agreement accepts and approves such costs; and

WHEREAS, pursuant to the Plan, the City may utilize revenues received under the Act from redevelopment project areas that are contiguous to, or separated by a public right of way from, the Area to pay eligible redevelopment project costs; and

WHEREAS, pursuant to the 1945 Chicago Transit Authority ordinance (the "1945 Ordinance") enacted by the City Council on April 23, 1945, the City owns the entire Dearborn Street subway on the Blue Line and its three stations (Jackson, Monroe, Washington) and, pursuant to Section 9 Paragraph F of the 1945 Ordinance, the City delivered possession of the Dearborn Street subway on the Blue Line to the CTA and the CTA, at its own expense, is required to keep in repair, protect, light and replace all portions of the Dearborn Street subway; and

WHEREAS, the CTA proposes to undertake the rehabilitation of a portion of the Dearborn Street subway (the "Project"), which Project is located within the Area; and

WHEREAS, the CTA has requested tax increment allocation financing funds assistance (the "City Contribution") from the City's Department of Planning and Development ("DPD") to support portions of the cost of the Project, and the City desires to provide such assistance; and

WHEREAS, the parties propose to enter into an intergovernmental agreement

("Agreement") authorizing and setting conditions on providing the City Contribution for the Project; and

WHEREAS, the parties propose to enter into the Agreement under the provisions of the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq.; now, therefore,

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

SECTION 1. The above recitals are incorporated by reference as if fully set forth herein.

SECTION 2. Subject to the approval of the Corporation Counsel as to form and legality, the Commissioner of DPD ("Commissioner") or his or her designee is hereby authorized to execute and deliver the Agreement with the CTA in substantially the form attached hereto as Exhibit A, with such changes therein as the Commissioner may approve, provided that such changes do not amend any essential terms of the Agreement (execution of the Agreement by the Commissioner or his or her designee constituting conclusive evidence of such approval), and to enter into and execute all such other agreements and instruments and to perform any and all acts as shall be necessary or advisable in connection with the implementation of the Agreement.

SECTION 3. 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 of the other provisions of this ordinance.

SECTION 4. This ordinance shall be in full force and effect from and after the date of its passage and approval.

**EXHIBIT A**

**Agreement**

[see attached]

**Exhibit A PROJECT**

**Exhibit A-1 Project 1**

**Dearborn Street Subway - Street Level Vent Shaft Grates**

Project scope: Replacement of vent shaft grates between Arcade Place and Marble Place along the Dearborn Street Subway, including electrical service upgrades and installation of fan equipment (labor and materials)

Project limits: Dearborn Street between Arcade Place and Marble Place. Location of the Level Vent Grates Project will be 100% within the LaSalle/Central TIF.

Project benefits: This project will reduce maintenance costs and improve safety for CTA workers maintaining the subway system, as well as pedestrians overhead.

Additional project information: This one of the elements of CTA's Life Safety Program. Including subway vent shaft grates facilitates worker access for maintenance and aims to ensure customers and employees have a safe transit system and workplace by installing new or upgrading existing life safety features.

Budget: \$1,230,000

Funding: 100% from TIF

Estimated Schedule: 2020-2022

-12-

-13-

## **Exhibit A-2 Project 2**

### **Dearborn Street Subway - Emergency Lighting Feed**

Project scope: Update the Emergency Lighting Feed ("ELF") system for stations along the Dearborn subway within the project limits. There is currently an existing dedicated ELF at each station that feeds the emergency lights directly in direct current (DC). The upgrade work includes installation of an inverter and related AC appurtenances to accommodate AC power for emergency lights at the stations, and miscellaneous connections to the inverters including new AC panels for emergency lighting; disconnect switches, cable and wiring, and DC feeders going back to the substation switchgear.

Project limits: "Dearborn Subway", from North Abutment (STA 229+09) to South Portal (STA 0+00) for a total length of L=22,909FT. Proportion in TIF is -445 LF, between Arcade Place and Marble Place (1.94%). Work on this project will be 100%. within the LaSalle/Central TIF.

**Project benefits:** The project will improve lighting in the subway system to enhance worker and customer safety.

**Additional project information:** This work is also part of CTA's Life Safety Program. Subway ELF and LED lighting projects aims to ensure customers and employees have a safe transit system and workplace by installing new or upgrading existing life safety features.

**Budget:** \$528,000

**Funding:** 100% from TIF

**Estimated Schedule:** 2020-2022

-14-

### **Exhibit A-3 Project 3**

#### **Dearborn Street Subway - Lighting Improvements**

**Project scope:** The scope of work includes replacing subway tunnel lighting with LED fixtures for the Dearborn subway. A lighting photometric study will be required to substitute existing fluorescent with matching LED fixture to provide similar lighting levels required for egress path.

**Project limits:** "Dearborn Subway", from North Abutment (STA 229+09) to South Portal (STA 0+00) for a total length of L=22,909FT. Proportion in TIF is -445 LF, between Arcade Place and Marble Place (1.94%). Work on this project will be 100% within the LaSalle/Central TIF.

**Project benefits:** This work is also part of CTA's Life Safety Program. Subway ELF and LED lighting projects aims to ensure customers and employees have a safe transit system and workplace by installing new or upgrading existing life safety features

Additional project information: This work is also part of CTA's Life Safety Program. Subway ELF and LED lighting projects aims to ensure customers and employees have a safe transit system and workplace by installing new or upgrading existing life safety features.

Budget: \$325,000

Funding: 100% from TIF

Estimated Schedule: 2020-2022

-15-

-16-

Exhibit B

Disbursement Requisition Form

STATE OF ILLINOIS )

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COUNTY OF COOK )

The Chicago Transit Authority (the "CTA"), hereby certifies that with respect to that certain Blue Line Dearborn Street Subway Improvements Intergovernmental Agreement between

the CTA and the City of Chicago dated as of \_\_\_\_\_, 2020 (the "Agreement"):

A. Expenditures (final cost) for (Project 1 / Project 2 / Project 3) have been made in the total amount of:

\$

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Eligible Costs for (Project 1 / Project 2 / Project 3) expended by the CTA and reimbursed by the City to date:

• for work undertaken within the LaSalle Central Area: \$ ISO.OO1

C. The CTA requests reimbursement for the following costs of TIF-Eligible Costs:

• for work undertaken within the LaSalle Central Area: \$ [S0.00]

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

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

(i) the total amount of the disbursement request herein represents the actual amount already expended by the CTA for its own work or paid by the CTA to the general contractor(s), subcontractors or other parties who have performed work on or otherwise provided goods or services in connection with the (Project 1 / Project 2 / Project 3);

ii) **the work being sought for reimbursement hereunder actually took place within the Area or Areas indicated above;**

iii) the CTA has approved all work and materials for the disbursement request;

-17-

iv) the work that is the subject of the disbursement request herein was performed in accordance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders at the time of its completion;

v) the representations and warranties contained in the Agreement, including, but not limited to, the Employment Obligations of Section 9 of the Agreement, are true and correct and the CTA is in compliance with all applicable covenants contained therein; and

vi) Check this box if this is the CTA's final Disbursement Request:

The CTA hereby certifies to the City that the Project was completed in compliance with this Agreement and that all subcontractor retainage related to the Project has been paid out.

All capitalized terms which are not defined herein have the meanings given such terms in the

Agreement.

Chicago Transit Authority, an Illinois municipal corporation

Name Title:

Subscribed and sworn before me this

My commission expires:

EXHIBIT C  
INSURANCE

The CTA is self-insured. During the term of this Agreement, the CTA shall provide and maintain, at the CTA's own expense, or cause to be provided, insurance or self-insurance equivalent to the coverages and requirements specified below concerning all operations related to this Agreement.

a) Prior to execution and delivery of this Agreement

i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than \$500,000 each accident, illness or disease.

ii) 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 must include the following: All premises and operations, products/completed operations independent contractors, 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.

b) Construction. Prior to the construction of any portion of the Project, CTA will cause its architects, contractors, subcontractors, project managers and other parties constructing the Project to procure and maintain the following kinds and amounts of insurance:

i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to



provide work under this Agreement and Employers Liability coverage with limits of not less than \$ 1,000,000 each accident, illness or disease.

ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion,

-19-

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.

iii) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Contractor must provide with respect to the operations to be performed, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

v) All Risk /Builders Risk

When CTA undertakes any construction, including improvements, betterments, and/or repairs, CTA must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than \$2,000,000. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

vii) Valuable Papers

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever and must have limits sufficient to pay for the re-creation and reconstruction of such records.

-20-

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, CTA must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$2,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Other Requirements: CTA must furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of the Agreement. CTA must submit evidence of insurance on an Insurance Certificate Form or equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the 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 from CTA is not a waiver by the City of any requirements for CTA to obtain and maintain the specified coverages. CTA shall advise all insurers of the Agreement provisions regarding insurance. Nonconforming insurance does not relieve CTA of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and/or terminate agreement until proper evidence of insurance is provided.

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self-insured retentions on referenced insurance coverages must be borne by CTA and Contractors.

CTA hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by CTA in no way limit CTA's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self-insurance programs maintained by the City of Chicago do not contribute with insurance provided by CTA under the Agreement.

-21-

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If CTA is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

CTA must require Contractor and subcontractors to provide the insurance required herein, or CTA may provide the coverages for Contractor and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of CTA unless otherwise specified in this Agreement.

If CTA, any Contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

**-22-**