

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois authorized to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Cook County Board of Commissioners has enacted the Cook County Tax Incentive Ordinance, Classification System for Assessment, as amended from time to time (the "County Ordinance"), which provides for, among other things, real estate tax incentives to property owners who build, rehabilitate, enhance and occupy property which is located within Cook County, Illinois and which is used primarily for industrial purposes; and

WHEREAS, the City consistent with the County Ordinance, wishes to induce industry to locate and expand in the City by supporting financial incentives in the form of property tax relief; and

WHEREAS, 1120 Exchange LLC, an Illinois limited liability company (the "Applicant"), owns certain real estate located generally at 1120 W. Exchange Ave., Chicago, Illinois 60609, as further described on Exhibit A hereto (the "Subject Property"); and

WHEREAS, Applicant has entered into leases with various tenants for portions of the Subject Property (the "Tenants"); and

WHEREAS, it is intended that the Applicant or its Tenants will use the Subject Property for industrial purposes within the meaning of the County Ordinance; and

WHEREAS, the Applicant intends to substantially rehabilitate an approximately 88,112 square foot industrial facility located on the Subject Property; and

WHEREAS, the redevelopment objective of the City in connection with the Subject Property is to redevelop an underutilized property, attract new businesses, increase employment opportunities, increase economic activity in the area, and increase growth in the real property tax base; and

WHEREAS, the Applicant intends to enter into a redevelopment agreement with the City in substantially the form attached hereto as Exhibit B and made a part hereof (the "Redevelopment Agreement"); and

WHEREAS, the Applicant has filed an eligibility application for a Class 6b tax incentive under the County Ordinance with the Office of the Assessor of Cook County (the "Assessor"); and

WHEREAS, the Subject Property is located within the Chicago Empowerment Zone (created pursuant to Title XIII of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66)), and the purposes of the Chicago Empowerment Zone are also to provide certain incentives in order to stimulate economic activity and to revitalize depressed areas; and

WHEREAS, it is the responsibility of the Assessor to determine that an application for a Class 6b classification or renewal of a Class 6b classification is eligible pursuant to the County Ordinance; and

WHEREAS, the County Ordinance requires that, in connection with the filing of a Class 6b eligibility application with the Assessor, the applicant must obtain from the municipality in which such real estate that is proposed for Class 6b classification is located an ordinance expressly stating, among other things, that the municipality has determined that the incentive provided by the Class 6b classification is necessary for development to occur on such real estate and that the municipality supports and consents to the Class 6b classification by the Assessor; and

WHEREAS, the intended use of the Subject Property will provide significant present and future employment; and

WHEREAS, notwithstanding the Class 6b classification of the Subject Property, the redevelopment and utilization thereof will generate significant new revenues to the City in the form of additional real estate taxes and other tax revenues; and

WHEREAS, the City's Department of Planning and Development has reviewed the proposed Project and has determined that it meets the necessary eligibility requirements for Class 6b designation, and hereby recommends to City Council that the City expressly determine, among other things, by ordinance that (a) the incentive provided by the Class 6b classification is necessary for development to occur on the Subject Property, and (b) the City supports and consents to the Class 6b application to the Assessor by the Applicant for the Project; now, therefore,

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

SECTION 1: The above recitals are hereby expressly incorporated as if fully set forth herein.

SECTION 2: The City hereby determines that the incentive provided by the Class 6b classification is necessary for the development to occur on the Subject Property.

SECTION 3: The City supports and consents to the Class 6b classification by the Assessor with respect to the Subject Property.

SECTION 4: The Economic Disclosure Statement, as defined in the County Ordinance, has been received and filed by the City.

SECTION 5: The Applicant has provided to the City an affidavit stating that the Applicant will comply with the prevailing wage requirements of Section 74-71(b) of the County Ordinance.

SECTION 6: The Clerk of the City of Chicago is authorized to and shall send a certified copy of this ordinance to the Assessor, and a certified copy of this ordinance may be included with the Class 6b eligibility application filed with the Assessor by the Applicant, as applicant, in accordance with the County Ordinance.

SECTION 7: The Commissioner of Planning and Development (the "Commissioner") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel, to negotiate, execute and deliver the Redevelopment Agreement, and such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement.

SECTION 8: 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 9: This ordinance shall take effect upon its passage and approval.