OFFICE OF THE MAYOR

CITY OF CHICAGO

BRANDON JOHNSON
MAYOR

September 23, 2026

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 a resolution authorizing a public hearing to establish a business improvement district.

Your favorable consideration of this resolution will be appreciated.

Very truly yours,

Mayor

SUBSTITUTE RESOLUTION

WHEREAS, business improvement districts, as defined in the Business Improvement District Law, 65 ILCS 125/1 et seq., as amended from time to time (the "BID Law"), may be established pursuant to the provisions of the BID Law; and

WHEREAS, The Magnificent Mile Association, an Illinois not-for-profit corporation, filed with the City Clerk of the City of Chicago (the "City Clerk") a written petition in accordance with the BID Law (the "Petition") proposing the establishment of a business improvement district within the City of Chicago (the "City") to be known and designated as The Magnificent Mile Business Improvement District (the "District") and the levy of district charges, as defined in the BID Law (the "District Charges") upon assessed property owners, as defined in the BID Law, within the District, which Petition contains a summary of a district plan, as defined in the BID Law, for the District (the "District Plan"); and

WHEREAS, the City Clerk has received the Petition, concluded that such Petition meets the requirements of Section 75 of the BID Law, and submitted such Petition to the City Council of the City (the "City Council") in accordance with the BID Law; and

WHEREAS, the City Council finds that it is in the public interest that consideration be given to the establishment of the District and to the authorization of the levy of the District Charges for a period of five (5) years within the District for the purposes set forth herein; that the District is contiguous in accordance with the BID Law; and that the activities and improvements, as defined in the BID Law, set forth in the Petition are to be provided in addition to base services, as defined in the BID Law, provided by and to the City generally, and it is, therefore, in the best interests of the City that the establishment of the District and the levy of the District Charges within the District for the activities and improvements to be provided be considered; now, therefore,

Be It Resolved by the City Council of the City of Chicago:

SECTION 1. The preambles of this resolution are hereby incorporated herein as if set out herein in full.

SECTION 2. A public hearing shall be held by the Committee on Economic, Capital and Technology Development of the City Council at the City Council Chambers, City Hall, Chicago, Illinois or in the alternative by remote means with instructions for how to attend the public hearing and participate in oral public comment to be provided on the City Clerk's website [https://www.chicityclerk.com] (the "Hearing"), to consider the establishment of the District and the authorization of the levy of the District Charges in accordance with the BID Law. At the Hearing there will be considered the levy of the District Charges upon assessed property owners owning real property within the District sufficient to produce revenues required to provide the activities and improvements specified in the District Plan.

(a) Boundaries of the District. The District shall consist of territory described on Exhibit 1 hereto and hereby incorporated herein. The approximate street location of said territory consists of Michigan Avenue between Oak Street to the north and the northern edge of the Chicago River to the south, Grand Avenue between Michigan Avenue to the east

and State Street to the west, and Chicago Avenue between Michigan Avenue to the east and State Street to the west. To encompass the Chicago Transit Authority Red Line stations at the intersections of Grand Avenue and State Street and Chicago Avenue and State Street, all property index numbers ("PINs") abutting Grand Avenue and Chicago Avenue and PINs on the corners of the west side of State Street are also included in the District boundaries.

(b) Proposed Activities and Improvements and Estimated Amount of Annual Funding Required. The activities and improvements to be considered include, but are not limited to: customer attraction, public way aesthetics, sustainability and public place enhancements, economic/business development, public health and safety programs, and other activities to promote commercial and economic development, all as further described in the District Plan and which will be hereinafter referred to collectively as the "Activities and Improvements." The Activities and Improvements may include new construction or maintenance. Some or all of the proceeds of the District Charges are anticipated to be used by an entity other than the City to provide the Activities and Improvements to the District, which such entity may be a "district management association" or subcontractor thereof as defined in the BID Law. The Activities and Improvements shall be provided in addition to base services provided by and to the City generally.

The District Charges under consideration shall be authorized to be levied in the years 2027 through and including 2031. The proposed amount of the District Charges for the Activities and Improvements for the initial year of the District in year 2027 is $1,998,359.85. The estimated amount of approximate annual funding required is set forth below, as further discussed in the District Plan.

Year	Total Annual District Charge
Year One (2027)	$1,998,359.85
Year Two (2028)	$2,058,310.65
Year Three (2029)	$2,120,059.97
Year Four (2030)	$2,183,661.77
Year Five (2031)	$2,249,171.62

(c) Method of Assessment. The District Charges shall be levied on the basis of the estimated benefit to the real property located within the District. The assessment methodology, as set forth in the District Plan, applies a tiered rate to the equalized assessed value ("EAV") of each assessed parcel within the District, with tiers assigned to each such parcel based on the proximity of such parcel to Michigan Avenue. Tier 1 properties (adjacent to Michigan Avenue) are charged at a rate not to exceed ninety-seven thousandths of a percent (0.097%) of EAV, and Tier 2 properties (not adjacent to Michigan Avenue) are charged at a rate not to exceed sixty-four thousandths of a percent (0.064%) of EAV. Following the assignment of tiers, a specialty class is assigned to each PIN that identifies a hotel or commercial multifamily property. Class 1 properties (hotels) are charged at a rate not to exceed forty-six thousandths of a percent (0.046%) of EAV, and Class 2 properties (commercial multifamily) are charged at a rate of zero percent (0%) of EAV. Each PIN assigned to Class 1 or Class 2 is assessed using

the applicable specialty class rate rather than the tier rate. All rates set forth herein are subject to a three percent (3%) annual cost-of-living adjustment applied in years two through five of the term of the District. Additional details of the assessment methodology, including the tier and specialty class assignments by PIN and the parcels not subject to assessment, are set forth in the District Plan.

(d) Governance Structure. The governing body of the District shall be the board of directors (the "Board") of that certain not-for-profit corporation established under the BID Law. The Board shall consist of approximately seven to eleven members. The Board shall adopt bylaws consistent with the BID Law that shall provide for the voting representation of owners whose real property is located within the District. For the initial year of the term of the District, all members serving on the Board shall be property owners, their property-management agents, or tenant designees whose real property is located in the District. After such initial year, at least 25% of the Board shall consist of tenant designees of property owners whose real property is located within the District. Additional governance details are set forth in the District Plan.

(e) Amount of District Charges Anticipated for the Initial Term. The total amount of the District Charges anticipated for the initial term of the District is approximately $10,609,563.86.

SECTION 3. Notice of the Hearing shall be published at least once, not less than fifteen (15) days prior to the Hearing, in both physical and online form, in a newspaper of general circulation within the District. If the District or its district management association has a website, said notice shall also be published on said website. In addition, notice by mail shall be given by depositing said notice in the United States mail addressed to each property owner subject to the District Charges, as well as all members of the Board. Said notice must, in addition, be electronically mailed if an electronic mailing address is known for each owner subject to the District Charges as well as all members of the Board. Said notice shall be mailed and electronically mailed not less than fourteen (14) days prior to the time set for the Hearing. Said mailed and electronically mailed notice shall enclose or include information allowing a property owner to obtain a copy of the District Plan.

SECTION 4. Notice of the Hearing shall be substantially in the following form:

Notice of Public Hearing

City of Chicago
The Magnificent Mile Business Improvement District

Notice is hereby given that at 12:00 p.m., on the 12th day of November, 2026 at the City Hall, Council Chambers, 121 North LaSalle Street, 2nd Floor, Chicago, Illinois, a public hearing will be held by the Committee on Economic, Capital and Technology Development of the City Council of the City of Chicago, or in the alternative by remote means with instructions for how to attend the public hearing and participate in oral public comment to be provided on the City Clerk's website (https://www.chicityclerk.com), in order to consider the establishment of a business improvement district within the City of Chicago (the "City") to be known

and designated as The Magnificent Mile Business Improvement District (the "District") and the authorization of the levy of district charges, as defined in the Business Improvement District Law, 65 ILCS 125/1 et seq., as amended from time to time (the "BID Law") (the "District Charges"), for a period of five (5) years upon assessed property owners within the District, the petition for which contains a summary of a district plan, as defined in the BID Law, for the District (the "District Plan"). At the Hearing there will be considered the levy of the District Charges upon assessed property owners owning real property within the District sufficient to produce revenues required to provide the activities and improvements specified in the District Plan. A copy of the District Plan is on file and available for inspection during normal business hours at the office of the City Clerk, located at City Hall, 121 North LaSalle Street, Room 107, Chicago, Illinois 60602 and online at [URL].

The District shall consist of territory described on Exhibit 1 hereto and hereby incorporated herein. The approximate street location of said territory consists of Michigan Avenue between Oak Street to the north and the northern edge of the Chicago River to the south, Grand Avenue between Michigan Avenue to the east and State Street to the west, and Chicago Avenue between Michigan Avenue to the east and State Street to the west. To encompass the Chicago Transit Authority Red Line stations at the intersections of Grand Avenue and State Street and Chicago Avenue and State Street, all property index numbers ("PINs") abutting Grand Avenue and Chicago Avenue and PINs on the corners of the west side of State Street are also included in the District boundaries.

The purpose of creating the District shall be to provide activities and improvements within the District, which may include, but are not limited to: customer attraction, public way aesthetics, sustainability and public place enhancements, economic/business development, public health and safety programs, and other activities to promote commercial and economic development, all as further described in the District Plan and which will be hereinafter referred to collectively as the "Activities and Improvements." The Activities and Improvements may include new construction or maintenance. Some or all of the proceeds of the District Charges are anticipated to be used by an entity other than the City to provide the Activities and Improvements to the District, which such entity may be a "district management association" as defined in the BID Law. The Activities and Improvements shall be provided in addition to base services, as defined in the BID Law, provided by and to the City generally.

The District Charges under consideration shall be authorized to be levied in the years 2027 through and including 2031. The proposed amount of the District Charges for the Activities and Improvements for the initial year of the District in year 2027 is $1,998,359.85. The estimated amount of approximate annual funding required is set forth below, as further discussed in the District Plan.

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The governing body of the District shall be the board of directors (the "Board") of that certain not-for-profit corporation established under the BID Law. The Board shall consist of approximately seven to eleven members. The Board shall adopt bylaws consistent with the BID Law that shall provide for the voting representation of owners whose real property is located within the District. For the initial year of the term of the District, all members serving on the Board shall be property owners, their property-management agents, or tenant designees whose real property is located in the District. After such initial year, at least 25% of the Board shall consist of tenant designees of property owners whose real property is located within the District. Additional governance details are set forth in the District Plan.

The total amount of the District Charges anticipated for the initial term of the District is approximately $10,609,563.86.

At the public hearing any interested person, including all property owners owning real property located within the District, may file with the City Clerk written objections to or statements in support of, and may be heard orally, with respect to any matter embodied in the District Plan or concerning the management of the District. The Committee on Economic, Capital and Technology Development of

the City Council shall hear and consider all statements and objections at said hearing and said hearing may be adjourned to another date without further notice other than a motion fixing the time and place it will reconvene.

By order of the City Council of the City of Chicago, Cook County, Illinois.

Dated this _____ day of _____, 2026.

_____
City Clerk, City of Chicago,
Cook County, Illinois

SECTION 5. Enforceability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

SECTION 6. Conflict. This resolution shall control over any provision of any other resolution, ordinance, motion or order in conflict with this resolution, to the extent of such conflict.

SECTION 7. This resolution shall become effective from its passage and approval.

DERRICK CURTIS
ALDERMAN, 18TH WARD

8359 SOUTH PULASKI ROAD
CHICAGO, ILLINOIS 60652
PHONE: 773-284-5057
FAX: 773-284-5956
EMAIL: Ward18@cityofchicago.org

CITY OF CHICAGO
CITY COUNCIL

COUNCIL CHAMBER
CITY HALL ROOM 300
121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602
PHONE: 312-744-6856

COMMITTEE MEMBERSHIPS
ECONOMIC, CAPITAL & TECHNOLOGY DEVELOPMENT (CHAIRMAN)
COMMITTEE ON AVIATION (VICE-CHAIRMAN)
COMMITTEES AND RULES
FINANCE
PEDESTRIAN AND TRAFFIC SAFETY
PUBLIC SAFETY
COMMITTEE ON POLICE AND FIRE
SPECIAL EVENTS, CULTURAL AFFAIRS, AND RECREATION
WORKFORCE DEVELOPMENT

October 8, 2026

To the President and Members of the City Council:

Your Committee on Economic, Capital, and Technology Development, for which a **meeting was held on October 8, 2026,** recommends passage of the following item:

R2026-0028755 Call for hearing on establishment of Business Improvement District (BID) No.1 (The Magnificent Mile)

Introduction Date: 09/23/2026 **Sponsor:** Mayor Johnson

A recommendation of ***Do Pass*** was concurred in a voice vote of all committee members present, with no dissenting votes.

Respectfully Submitted,

Derrick Curtis, Chairman
Committee on Economic, Capital, and Technology Development

APPROVED

Renee Camille Hall

ACTING CORPORATION COUNSEL

DATED: 10/20/26

Brandon Johnson 10/20/26

MAYOR

DATED: 10/20/26