

ORDINANCE

WHEREAS, the City of Chicago (the “City”) is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, pursuant to ordinances adopted on November 12, 1998, and published in the Journal of the Proceedings of the City Council (the “Journal”) for such date, the City Council of the City (the “City Council”): (i) approved a certain redevelopment plan and project (the “Original Redevelopment Plan”) for a portion of the City known as the Canal/Congress Redevelopment Project Area (the “Original Redevelopment Area”), pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.1, *et seq.*, as amended (the “Act”); (ii) designated the Redevelopment Area as a “redevelopment project area” within the requirements of the Act; and (iii) adopted tax increment financing as a means of financing certain Redevelopment Area redevelopment project costs (as defined in the Act) incurred pursuant to the Redevelopment Plan; and

WHEREAS, the City Council amended the Original Redevelopment Plan by ordinances adopted on June 19, 2002 (“Amendment #1”), July 20, 2022 (“Amendment #2”) and May 20, 2026 (“Amendment #3,” and collectively with the Original Redevelopment Plan, Amendment #1 and Amendment #2, the “Redevelopment Plan”); and

WHEREAS, Amendment #3 expanded the boundaries of the Original Redevelopment Area (as amended, the “Redevelopment Area”) and amended the map of parcels intended to be acquired to include the property located at 630 W. Harrison Street, Chicago, Illinois, as legally described on Exhibit A attached hereto (the “Property”); and

WHEREAS, GH Chicago IL, LLC, a Delaware limited liability company (“Owner”), is the owner of the Property; and

WHEREAS, the Property is the site of an intercity bus terminal commonly known as the Greyhound Bus Station (the “Bus Station”), consisting of approximately two acres of land (or 87,629 square feet) and improved with a two-story masonry and metal building with a floor area of approximately 27,703 square feet; and

WHEREAS, the Owner acquired the Property on December 21, 2022, for \$24,995,000 (\$285.24 per square foot) as part of a 33-property, \$140 million purchase of Greyhound facilities throughout the country; and

WHEREAS, the Property is zoned DX-7, Downtown Mixed Use District, with a maximum permitted FAR of 7.0 and eligibility for additional FAR through Chicago’s bonus floor area system; and

WHEREAS, the appraised fair market value of the Property as of February 29, 2024, was \$25,760,000 (or \$294.00 per square foot); and

WHEREAS, this estimate of value was based on a determination that the highest and best use of the Property was for redevelopment as a mixed-use project maximizing the site's allowable density, similar to other projects in the Near West Side area; and

WHEREAS, the City obtained a property condition assessment report which identified several deficiencies at the Property, including roof, HVAC, window, and exterior door systems at the end of their serviceable life and other conditions arising from deferred maintenance, and determined that continued serviceability of the Property would depend on implementation of repairs and corrective measures; and

WHEREAS, the City and the Owner have negotiated a purchase price for the Property in the amount of Nineteen Million Two Hundred Thousand and 00/100 Dollars (\$19,200,000.00) (the "Purchase Price"), and have negotiated the purchase and sale agreement attached hereto as **Exhibit B** (the "Purchase Agreement"); and

WHEREAS, the Bus Station has 24 bus bays, and four bus lines currently operate in the station, including Greyhound, FlixBus, Jefferson Lines and Barons Bus Lines; and

WHEREAS, the Bus Station serves an average of over 460,000 passengers annually, and handles approximately 70 arrival and departure stops per day with capacity to serve more; and

WHEREAS, the Bus Station is a critical transit hub and a regional lifeline for Chicagoans, Illinois residents, and cities throughout the Midwest and beyond; and

WHEREAS, the Bus Station provides a secure, climate-controlled waiting room with public restrooms and an affordable travel option for disabled and low-income residents and those without personal vehicles; and

WHEREAS, a bus station has been in operation, uninterrupted, at several different locations in Chicago since 1928; and

WHEREAS, public ownership of the Bus Station would reduce overhead costs for bus companies using the station, incentivize curbside operators and other bus companies to expand service to and from Chicago, and foster healthy and fair competition among bus operators through neutral management; and

WHEREAS, abandoning the Bus Station would drive bus companies to significantly reduce service and force carriers willing to provide service to load and unload passengers onto Chicago's sidewalks and curbs, creating crowding, congestion, and unsafe conditions for both passengers and vehicular traffic; and

WHEREAS, acquiring a similar new facility in the central business district with easy access to other transportation nodes would be an enormous challenge and cost in excess of the expected costs of this facility; and

WHEREAS, the City has determined that it is useful, necessary and desirable to purchase the Property for the Purchase Price for the foregoing reasons and to achieve the goals and objectives of the Redevelopment Plan; and

WHEREAS, by resolution adopted on April 14, 2026, the Community Development Commission recommended the acquisition of the Property; and

WHEREAS, the Purchase Price for the Property shall be paid from legally available funds of the City, which are hereby appropriated for such purpose; and

WHEREAS, the Owner and Flix North America, Inc., a Delaware corporation ("Flix"), as successor to Greyhound Lines, Inc., are parties to that certain Amended and Restated Lease Agreement dated as of October 21, 2021, as amended by that certain Omnibus Amendment to Amended and Restated Lease Agreement dated January 18, 2022, as amended by that certain First Amendment to Amended and Restated Lease Agreement dated October 18, 2024, as amended by that certain Second Amendment to Amended and Restated Lease Agreement dated January 21, 2025, as amended by that certain Assignment and Third Amendment to Amended and Restated Lease Agreement dated February 24, 2026, as further amended by that certain Fourth Amendment to Amended and Restated Lease Agreement dated February 24, 2026 (collectively, the "Flix Lease"); and

WHEREAS, Flix currently operates, manages and maintains the Property for intercity bus service under the Flix Lease; and

WHEREAS, following acquisition, the City, through its Department of Fleet and Facility Management ("2FM"), intends to engage a third-party company to operate and maintain the Bus Station; and

WHEREAS, pending the selection of a new manager, the City and Flix desire to maintain uninterrupted intercity bus service and, to this end, the City will assume the Flix Lease from the Owner pursuant to an assignment and assumption agreement (the "Assignment and Assumption Agreement"), convert the Flix Lease to a license agreement, and modify the license agreement in a manner consistent with the term sheet attached hereto as **Exhibit C** (the "Transition Period License Agreement"); and

WHEREAS, during the transition period, Flix will continue to operate and manage the Property and pay all operating costs, while the City, through 2FM, will engage contractors to perform capital repairs and deferred maintenance; and

WHEREAS, the Transition Period License Agreement will require Flix to operate the Bus Station in an equitable and transparent manner and to cooperate with the City on deferred maintenance and capital improvements; **now, therefore**

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

SECTION 1. The foregoing recitals, findings and statements of fact are hereby adopted as the findings of the City Council.

SECTION 2. It is hereby determined, declared and found that it is useful, desirable and necessary that the City acquire the Property for public purposes and to implement the objectives of the Redevelopment Plan, including operation of a publicly-owned intercity bus terminal.

SECTION 3. The City's purchase of the Property from the Seller for the Purchase Price, plus closing costs and post-closing adjustments and other amounts due and payable under the Purchase Agreement (as hereafter defined), together with the City's performance of its other obligations and indemnity undertakings under the Purchase Agreement, are hereby approved.

SECTION 4. The Commissioner of 2FM or a designee of the Commissioner (either, the "Commissioner") is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute, and deliver the Purchase Agreement with such changes, deletions, insertions, terms and provisions, including indemnification, as the Commissioner deems appropriate, and to execute such other documents with such terms and provisions, including indemnification, as the Commissioner deems appropriate, and take such other actions as may be necessary or appropriate to consummate the City's purchase of the Property and to accept a deed to the Property.

SECTION 5. Subject to the approval of the City's Corporation Counsel as to form and legality, the Commissioner is hereby authorized to negotiate, execute and deliver the Assignment and Assumption Agreement and the Transition Period License Agreement, and to execute such other documents and take such other actions as may be necessary or appropriate to implement this ordinance and the terms and conditions of the Assignment and Assumption Agreement and the Transition Period License Agreement, including, without limitation, amendments to the same. The Commissioner is further authorized and directed to take all actions as may be necessary or appropriate to arrange for the orderly transfer of management and operation of the Property from Flix to a third-party manager on behalf of the City, and to undertake studies, prepare surveys, hire consultants, enter into rights of entry with contractors and subcontractors, and take any other actions necessary and desirable for the management, operation, repair and improvement of the Property.

SECTION 6. 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 7. This ordinance shall take effect immediately upon its passage and approval.