City of Chicago

O2022-1259

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	4/27/2022
Sponsor(s):	Lightfoot (Mayor)
Type:	Ordinance
Title:	Intergovernmental agreement with Chicago Board of Education for allocation of Tax Increment Financing (TIF) funds for new soccer, track, softball and lacrosse fields at Northside College Preparatory High School, 5501 N Kedzie Ave
Committee(s) Assignment:	Committee on Finance

OFFICE OF THE MAYOR

CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

April 27, 2022

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 with the Chicago Board of Education to provide TIF funding for improvements at various schools.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Lori E. Lightfoot

Mayor

FIN

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ORDINANCE

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

WHEREAS, the Board of Education of the City of Chicago (the "**Board**") is a body politic and corporate, organized under and existing pursuant to Article 34 of the School Code of the State of Illinois, 105 ILCS 5/1-1 et seq.; and

WHEREAS, pursuant to the provisions of an act to authorize the creation of public building commissions and to define their rights, powers, and duties under the Public Building Commission Act (50 ILCS 20/1 et seq.), the City Council of the City (the "**City Council**") created the Public Building Commission of Chicago to facilitate the acquisition and construction of public buildings and facilities; 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 from time to time (the "**Act**"), to finance projects that eradicate blight conditions through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7), such ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("**Increment**") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs; and

WHEREAS, the Board is a taxing district under the Act; and

WHEREAS, the Board operates a school identified in Exhibit A (the "**School**") located at the Property identified in Exhibit A (the "**Property**"); and

WHEREAS, the Board desires to undertake certain improvements at the School as described in Exhibit A (the "**Project**"); and

WHEREAS, in accordance with the provisions of the Act, the City Council: (i) approved and adopted a redevelopment plan and project (the "**Plan**") for a portion of the City identified on Exhibit A (the "**Redevelopment Area**"); (ii) designated the Redevelopment Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the Redevelopment Area, pursuant to ordinances (collectively, the "**TIF Ordinances**") adopted on the date (or dates, if subsequently amended) and published in the Journal of Proceedings for the City Council (the "**Journal**") for such date(s), identified on Exhibit A; and

WHEREAS, all of the Property lies wholly within the boundaries of the Redevelopment Area; and

WHEREAS, Increment collected from the Redevelopment Area shall be known as the "**Redevelopment Area Increment**"; and

WHEREAS, the Department of Planning and Development of the City desires to use a portion of the Redevelopment Area Increment in an amount not to exceed the amount identified in Exhibit A for the purpose of wholly or partially funding certain costs of the Project (the "**TIF-Funded Improvements**") to the extent and in the manner provided in this ordinance and the Agreement (as hereinafter defined); and

WHEREAS, a detailed budget for the Project (the "**Project Budget**") and an itemized list of the TIF-Funded Improvements are each incorporated into Exhibit A; and

WHEREAS, the Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within the boundaries of the Redevelopment Area; and

WHEREAS, in accordance with the Act, the TIF-Funded Improvements are and shall be such of the Board's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City hereby finds that the TIF-Funded Improvements consist of the cost of the Board's capital improvements for the Project that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "**taxing districts' capital costs**" as defined in Section 5/11-74.4-03(u) of the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on April 21, 2021, and published in the Journal for such date at pages 29530 through 29549, the City Council approved a form of an intergovernmental agreement attached thereto for a project at Jacob Beidler Elementary School (the "**Form Agreement**"); and

WHEREAS, the City and the Board wish to enter into an intergovernmental agreement in substantially similar form to the Form Agreement, substituting the Project-specific terms with the information contained in Exhibit A, whereby the City shall pay for or reimburse the Board for the TIF-Funded Improvements related to the Project (the "**Agreement**"); now, therefore,

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

SECTION 1. The above recitals, and the statements of fact and findings made therein, are incorporated herein and made a material part of this ordinance.

SECTION 2. The City hereby finds that the TIF-Funded Improvements, among other eligible redevelopment project costs under the Act approved by the City, consist of the cost of the Board's capital improvements for the Project that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-03(u) of the Act.

SECTION 3. The Commissioner of Planning and Development and a designee are each hereby authorized, subject to approval by the City's Corporation Counsel, to negotiate, execute and deliver the Agreement and such other documents as may be necessary to carry out and comply with the provisions of the Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Agreement on behalf of the City.

SECTION 4. 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 5. This ordinance takes effect upon passage and approval.

Exhibit A

1. School: Northside College Preparatory High School

2. Property:

   a. Common Address: 5501 N. Kedzie Ave., Chicago IL, 60625

   b. Permanent Index Numbers ("**PINS**"): 13-12-100-045-0000, 13-12-211-043-0000

3. Project:

   a. **Site Improvements**: Construction of a new artificial turf soccer field surrounded by a running track, artificial turf softball field and lacrosse field.

   b. **BAS:** Upgrading, repairing, and re-certifying the obsolete and failing building automation system (BAS) which controls the environmental and mechanical system in the building.

4. Amount of Redevelopment Area Increment: Not to exceed $4,541,000

5. Project Budget:

   Turf Field:

Scope	**Project Budget**	**TIF Request**
Design	$390,000	$390,000
Construction	$3,100,500	$3,100,500
Environmental	$195,000	$195,000
Project Implementation	$214,500	$214,500
Total	**$3,900,000**	**$3,900,000**

   BAS:

Scope	**Project Budget**	**TIF Request**
Design	$64,100	$64,100
Construction	$509,595	$509,595
Environmental	$32,050	$32,050
Project Implementation	$35,255	$35,255
Total	**$641,000**	**$641,000**

6. TIF-Funded Improvements:

   a. **Site Improvements**: Construction of a new artificial turf soccer field and asphalt parking lot.

b. **BAS:** This project would include upgrading, repairing, and re-certifying the obsolete and failing building automation system (BAS) which controls the environmental and mechanical system in the building.

7. Redevelopment Area: Lawrence/Kedzie

8. TIF Ordinances (including any amendments): Under ordinances adopted on February 16, 2000, the City Council: (i) approved a redevelopment plan and project (the "**Plan**") for the Redevelopment Area; (ii) designated the Redevelopment Area as a "**redevelopment project area**" within the requirements of the Act; and (iii) adopted tax increment financing for the Redevelopment Area.