

# OFFICE OF THE MAYOR CITY OF CHICAGO

BRANDON JOHNSON MAYOR

June 21, 2023

# TO THE HONORABLE, THE CITY COUNCIL OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Transportation, I transmit herewith an ordinance authorizing the execution of an amendment to the TIF appropriation ordinance for developing enabling infrastructure to the University of Illinois Discovery Partners Institute.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

# ORDINANCE

**SECTION 1.** On December 14, 2022, the City Council of the City of Chicago passed an ordinance, referenced as O2022-3794, published on pages 57818 through 57822 of the Journal of Proceedings of the City Council for that date ("Ordinance"). The Ordinance is hereby amended by deleting the language stricken and by inserting the language underlined as follows:

#### (Omitted text is unaffected by this ordinance.)

WHEREAS, certain enabling infrastructure is needed to accommodate the DPI Innovation Hub within the Redevelopment Area generally between West Roosevelt Road and South Archer Avenue (the "Project") including two components: (a) a new segment of West 15th Street connecting South Wells Street and South Clark Street and all associated infrastructure necessary for the street (the "15th Street Component"), (b) the infrastructure for the intersection of South Clark Street and 15th Street (the "Intersection"), and (c) a realignment of railroad infrastructure used by the Commuter Rail Division of the Regional Transportation Authority ("Metra") along its Rock Island District line and a new railroad grade separation structure over the new West 15th Street (the "Metra Realignment Component"); and

WHEREAS, the Department of Transportation of the City ("CDOT") desires to use a portion of the Roosevelt/Clark Increment in an amount not to exceed \$85,000,000 ("<u>Transferred</u> City Funds") 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 DPI IGA and Metra IGA (each as defined below); and

#### (Omitted text is unaffected by this ordinance.)

WHEREAS, it is anticipated that the City may, in its discretion, exercise its Transfer Rights pursuant to the Act, the Canal/Congress Redevelopment Plan, and the Redevelopment Plan to use Canal/Congress Increment in an amount up to \$85,000,000 as part of (and not in addition to) the, which shall constitute the Transferred City Funds; and

#### (Omitted text is unaffected by this ordinance.)

WHEREAS, CDOT expects the University of Illinois to undertake planning, design, construction, and related activities necessary to build the 15th Street Component <u>and the Intersection</u>; and

## (Omitted text is unaffected by this ordinance.)

WHEREAS, in consideration of costs for the Project incurred or to be incurred by or on behalf of the University of Illinois, the City desires to enter into an intergovernmental agreement with the University of Illinois whereby the City shall use <u>Transferred</u> City Funds to pay for or reimburse the University of Illinois for the TIF-Funded Improvements related to the 15th Street Component of <u>and</u> the <u>Intersection-Project</u> (the "DPI IGA"); provided that the total amount of <u>Transferred</u> City Funds to be paid under both the DPI IGA and the Metra IGA, collectively, shall not exceed the greater of (a) \$15,000,000 or (b) if the Metra IGA (defined below) is effective, \$85,000,000 minus the total amount of Transferred City Funds the Component under the Metra IGA; and

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WHEREAS, in consideration of costs for the Project incurred or to be incurred by or on behalf of Metra, the City desires to enter into an intergovernmental agreement with Metra whereby the City shall use <u>Transferred</u> City Funds to pay for or reimburse Metra for the TIF-Funded Improvements related to the Metra Realignment Component of the Project (the "Metra IGA"); (the "Metra IGA"); provided that the total amount of Transferred City Funds to be paid under the Metra IGA shall not exceed the greater of (a) \$70,000,000 or (b) if the DPI IGA is effective, \$85,000,000 minus the total amount of Transferred City Funds the City has agreed to pay University of Illinois for work on the 15th Street Component and the Intersection under the DPI IGA; and

# (Omitted text is unaffected by this ordinance.)

WHEREAS, the City desires to enter into an amendment (one or more amendments (collectively, the "Metra Realignment Amendment") to the RDA reflecting (a) the deletion of each reference to Metra Realignment and (as defined in the RDA), (b) revisions to reflect such deletions, including without limitation reducing the amount of City Funds (as defined in the RDA) and revising the Project Budget and MBE/WBE Budgets (each as defined in the RDA) attributable to Metra Realignment, and (c) the exclusion of Transferred City Funds from Incremental Taxes (as defined in the RDA) and Available Incremental Taxes (as defined in the RDA); and

WHEREAS, the Metra Realignment Amendment may contain such other terms as the Commissioner of CDOT (the "CDOT Commissioner") and the Commissioner of DPD (the "DPD Commissioner") deem necessary or desirable that would take effect if Metra does not complete the Metra Realignment Component pursuant to the Metra IGA, including by the deadlines in the Metra IGA; by way of example and without limitation, the Metra Realignment Amendment may provide that in the case of such non-completion of the Metra Realignment Component, the RDA shall be deemed to be amended to reflect (a) the reinstatement of each original reference to Metra Realignment and (b) revisions reflecting such reinstatement, including without limitation increasing the amount of City Funds and revising the Project Budget and MBE/WBE Budgets to reflect the amounts attributable to Metra Realignment that originally appeared in the RDA, minus any reductions agreed to by the CDOT Commissioner and the DPD Commissioner, in their discretion, including without limitation to reflect work previously completed on the Metra Realignment Component; and

WHEREAS, the City desires to enter into one or more amendments (collectively, the "15th Street Amendment") to the RDA reflecting (a) the deletion of each reference to 15th Street Construction (each as defined in the RDA),) and the deletion of the Intersection from the definition of Clark Street Improvements (as defined in the RDA), (b) revisions to reflect such deletions, including without limitation reducing the amount of City Funds and revising the Project Budget and corresponding item MBE/WBE Budgets (each as defined in the RDA) attributable to Metra Realignment and 15th Street Construction, and (c) the exclusion of Transferred City Funds from Incremental Taxes and Available Incremental Taxes; and

WHEREAS, the 15th Street Amendment may contain such other terms as the CDOT Commissioner and the DPD Commissioner deem necessary or desirable that would take effect if University of Illinois does not complete the 15th Street Component and the Intersection pursuant to the DPI IGA, including by the deadlines in the DPI IGA; by way of example and without limitation, the 15th Street Amendment may provide that in the case of such non-completion of the 15th Street Component and the Intersection, the RDA shall be deemed to be amended to reflect (a) the reinstatement of each original reference to 15th Street Construction and the reinstatement of the Intersection to the definition of Clark Street Improvements, and (b) revisions reflecting such reinstatements, including without limitation increasing the amount of City Funds and revising the Project Budget and MBE/WBE Budgets to reflect the amounts attributable to 15th Street Construction that originally appeared in the RDA, minus any reductions agreed to by the CDOT Commissioner and the DPD Commissioner, in their discretion, including without limitation to reflect work previously completed on the 15th Street Construction and/or the Intersection; and

WHEREAS the City intends to apply the corresponding MBE/WBE commitments in the RDA towards the work to be performed pursuant to the DPI IGA; and

WHEREAS, the <u>City intends to require Metra to comply with Metra's Disadvantaged</u> <u>Business Enterprise ("DBE") program, as defined by and consistent with, 49 CFR Part 26, to</u> <u>award 30 percent of the subcontracting work to DBE firms for the work to be performed pursuant</u> <u>to the</u> Metra IGA; now, therefore,

## (Omitted text is unaffected by this ordinance.)

SECTION 2. The <u>CDOT</u> Commissioner of <u>CDOT</u> (the "CDOT Commissioner") and a designee are each hereby authorized, subject to approval by the City's Corporation Counsel, to negotiate, execute and deliver the DPI IGA and such other supporting documents as may be necessary to carry out and comply with the provisions of the DPI IGA, <u>including amendments to</u> the DPI IGA, in such form as shall be approved by the persons executing the DPI IGA <u>or such amendments</u> on behalf of the City.

SECTION 3. The CDOT Commissioner and a designee are each hereby authorized, subject to approval by the City's Corporation Counsel, to negotiate, execute and deliver the Metra IGA and such other supporting documents as may be necessary to carry out and comply with the provisions of the Metra IGA, <u>including amendments to the Metra IGA</u>, in such form as shall be approved by the persons executing the Metra IGA <u>or such amendments</u> on behalf of the City.

SECTION 4. The <u>DPD</u> Commissioner of <u>DPD</u> (the "<u>DPD</u> Commissioner"), the CDOT Commissioner and their respective designees are each hereby authorized, subject to approval of the City's Corporation Counsel, to negotiate, execute and deliver the <u>15th Street</u> Amendment <u>and/or the Metra Realignment Amendment</u>, and such other supporting documents as may be necessary to carry out and comply with the provisions of <u>the each</u> Amendment, in such form as shall be approved by the persons executing <u>the each</u> Amendment on behalf of the City.

(Omitted text is unaffected by this ordinance.)

SECTION 2. This ordinance shall take effect upon its passage and approval.