



**OFFICE OF THE MAYOR
CITY OF CHICAGO**

**BRANDON JOHNSON
MAYOR**

July 19, 2023

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 an ordinance authorizing the execution of a renewed right of entry agreement with 548 Capital, LLC.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "BJ Johnson".
Mayor

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, as part of the City’s INVEST South/West initiative, the City selected 548 Capital LLC, an Illinois limited liability company (“Licensee”), to redevelop the real property located at 8840-54 S. Commercial Avenue in the South Chicago neighborhood (the “RFP Site”); and

WHEREAS, the City is the owner of the northern portion of the RFP Site, consisting of improved property located at 8840 S. Commercial Avenue (PIN 26-06-209-035) (the “8840 Property”), the improved property located at 8844 S. Commercial Avenue (PIN 26-06-209-036) (the “8844 Property”), and the vacant land located at 8848 S. Commercial Avenue (PIN 26-06-209-037) (the “Courtyard Property” and together with the 8840 Property and the 8844 Property, the “City Property”); and

WHEREAS, the 8840 Property is improved with a three-story masonry building, and the 8844 Property is improved with a two-story masonry building; and

WHEREAS, DPD intends to demolish the two-story building on the 8844 Property and Licensee has proposed to renovate the three-story building on the 8840 Property (the “8840 Building”) as part of its redevelopment project; and

WHEREAS, the City, through its Department of Assets, Information and Services (“DAIS”), and Licensee previously entered into that certain Right of Entry and Building Maintenance and Protection Agreement dated February 10, 2023, and attached hereto as Exhibit A (the “Building Maintenance Agreement”), pursuant to which the City gave Licensee access to the City Property to secure and maintain the 8840 Building and take certain other actions prior to the closing of the sale of the City Property (collectively referred to in the Building Maintenance Agreement as the “Activity”); and

WHEREAS, the DAIS Commissioner has the authority to enter into leases and other temporary occupancy agreements for up to 180 days under Section 2-51-050 (12) of the Municipal Code of Chicago; and

WHEREAS, after 180 days, City Council approval is required to extend such temporary occupancy agreements; and

WHEREAS, the 180-day period allowed under Section 2-51-050 (12) for the Building Maintenance Agreement will expire on August 9, 2023 (180 days from February 10, 2023, the effective date of the Building Maintenance Agreement); and

WHEREAS, the City has determined that it is necessary to extend the Building

Maintenance Agreement in order for Licensee to continue to secure and maintain the 8840 Building and to prepare for the closing of the land sale and redevelopment of the City Property; *now, therefore,*

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

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. The Commissioner of DAIS (the “DAIS Commissioner”) and a designee of the DAIS Commissioner are each hereby authorized, with the approval of the City’s Corporation Counsel as to form and legality, to negotiate, execute and deliver a First Amendment to the Building Maintenance Agreement with retroactive effect to August 9, 2023, in substantially the form attached hereto as Exhibit B (the “First Amendment”), and such other documents as may be necessary or appropriate to carry out and comply with the provisions of the First Amendment and this ordinance, with such changes, deletions and insertions as shall be approved by the persons executing the First Amendment.

SECTION 3. 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 4. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall take effect immediately upon its passage and approval.

Attachments: Exhibit A – Building Maintenance Agreement
Exhibit B – First Amendment to Building Maintenance Agreement