



Chicago Park District

Legislation Text

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AUTHORITY TO ACCEPT THE TRANSFER OF PROPERTY FOR THE EXPANSION OF ELLIS PARK FROM THE CITY OF CHICAGO AND TO ENTER INTO LEASES TO FACILITATE THE DEVELOPMENT OF A NEW FIELD HOUSE

To: The Honorable Board of Commissioners of the Chicago Park District

I. Recommendation

It is recommended that the Board of Commissioners of the Chicago Park District (i) authorize the Chicago Park District to become part of a project entity (ii) authorize that project entity to enter into a 99-year Ground Lease for the occupancy of land at 35th Street and South Cottage Grove Avenue, in Chicago, as well as the new field house being developed at this location (iii) authorize the Chicago Park District to enter into a sublease with the project entity allowing for the District to operate the new field house, and (iv) authorize the adoption an ordinance for the acceptance of approximately 2.43 acres of land for the expansion of Ellis Park from the City of Chicago.

It is further recommended that the Board authorize the General Superintendent, or his designee, to negotiate, enter into, and execute such agreements, amendments, indemnities, and instruments and perform any and all acts as shall be necessary or advisable in connection with the transactions described herein.

II. Agreement Information

Grantor: City of Chicago
121 N. LaSalle St.
Chicago, IL 60611

Transfer Type: Intergovernmental Property Transfer in accordance with 50ILCS 605/2(a) of the Local Government Property Transfer Act.

Granting Instrument: Ground Lease, Quit Claim Deed and Intergovernmental Agreements from the City of Chicago.

Agreements: Intergovernmental agreements, amendments to intergovernmental agreements, lease, sublease and, if applicable, temporary right of entry, easements, restrictive covenants, and any other agreements or instruments necessary to comply with any restrictions of record for a portion or the entirety of the Property and the transfer of funds for development.

Authorization: Authorize the General Superintendent to negotiate, enter into, and execute such intergovernmental agreements, amendments to intergovernmental agreements, lease, sublease, indemnities, and instruments and perform any and all acts as shall be necessary or advisable in connection with the transactions described herein, including compliance with existing easements, if any, filing of street and alley vacation or dedication applications, plats of dedication, and other applicable requirements. Authorize the General Counsel to include other relevant terms and conditions in the written agreements, amendments and transfer instruments. Authorize the Secretary to attest as to the signing of the Agreements and transfer instruments and keep an original copy of the Agreement on file.

III. Explanation

The City of Chicago is acquiring property at 35th Street and South Cottage Grove Avenue, from the Chicago Park District and Chicago Public Schools for the expansion of Ellis Park and the development of a new field house. The project funding requires the Park District to create a project entity (Quad Communities Arts Recreation and Health Center, LLC), whereby the Park District is a 90% member and of which (TCB) is a 10% member. The City of Chicago will ground lease for 99-years to the project entity the aforementioned land and field house. The project entity will execute the ground lease with the City of Chicago. The Park District will execute a 25-year sublease to operate and program the land and field house. This sublease will require rent payments which will be funded through the development financing structure. The City of Chicago will have the authority to transfer the 35th Street and South Cottage Grove property to the Park District, subject to the ground lease, at such time as the project entity has discharged in full its initial financing and its lenders have no further interest in the property.

The result of this partnership is the Park District is the recipient of additional parkland and a state of the art field house for the benefit of the community. Ellis Park is located in the Oakland Community Area and in the 4th ward.

IV. General Conditions

- 1) *Conflicts:* The Agreement shall not be legally binding on the Chicago Park District if entered into in violation of the provisions of 50 ILCS 105, the Public Officer Prohibited Activities Act.
- 2) *Ethics:* The Chicago Park District's Ethics Code, Chapter III of the Code of the Chicago Park District, shall be incorporated into and made part of the agreement.
- 3) *Contingent Liability:* Any agreement lawfully entered into for a period of more than one year shall be executory only for the amounts for which the Park District may become liable in succeeding fiscal years pursuant to 70 ILCS 17(i).