



# Chicago Park District

## Legislation Text

File #: 16-2567-0810, Version: 1

### **AUTHORITY TO ACCEPT THE TRANSFER OF PROPERTY LOCATED AT 10355 S. WOODLAWN AVENUE AND TO ENTER INTO LEASES TO FACILITATE THE DEVELOPMENT FOR A NEW PARK AND FIELD HOUSE FROM CHICAGO NEIGHBORHOOD INITIATIVES**

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 authorize the General Superintendent to negotiate the following proposed terms (i) the Park District would become part of a project entity (ii) that project entity would enter into a 99-year Ground Lease or accept title to the land at 10355 S. Woodlawn Avenue for purposes of facilitating the financing. A new field house is to be developed at the site according to Chicago Park District Design standards or as the Park District otherwise agrees, (iii) also for purposes of facilitating the financing, the project entity would enter into a sublease with the Roseland Youth Center allowing for the Roseland Youth Center to operate the new field house, the District would occupy the field house upon transfer of title to the property and (iv) the future acceptance by the Chicago Park District of the new fieldhouse located on the 13.35 acre site for a new park.

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

#### **II. Agreement Information**

Grantor: Chicago Neighborhood Initiatives  
1000 East 111<sup>th</sup> Street, 10<sup>th</sup> Floor  
Chicago, IL 60628

Granting Instrument: Ground Lease, Sublease and Deed

Agreements: Agreements, amendments to agreements 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.

Authorization: Authorize the General Superintendent to negotiate, enter into, and execute such agreements, amendments to agreements, 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 Chicago Park District would partner with Chicago Neighborhood Initiatives. Chicago Neighborhood Initiatives owns property located at 10355 S. Woodlawn Avenue. The proposed terms are as follows: the project funding requires the Chicago Park District to create a project entity, whereby the Park District is a 90% member and of which Chicago Neighborhood Initiatives, Inc. is a 10% member. Chicago Neighborhood Initiatives, Inc. will ground lease for 99-years to the project entity the aforementioned land and field

house. The project entity would execute the ground lease with Chicago Neighborhood Initiatives or accept title. The Roseland Youth Center would execute a 25-year sublease with the project entity to operate and program the land and field house. The Chicago Park District would occupy the land and field house upon transfer of title to the property, possibly in 7 years. Chicago Neighborhood Initiatives, Inc. will have the authority to transfer the 10355 S. Woodlawn Avenue property to the Park District, subject to the ground lease, at such time the project entity has discharged in full its initial financing and its lenders have no further interest in the property. When the deal terms have been finalized, we will seek Board approval to authorize the transaction.

The expected result of this partnership is the Park District is the recipient of a new park and field house for the benefit of the community. The site is located in the Pullman Community Area and in the 9<sup>th</sup> 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).