

DEPARTMENT OF PLANNING AND DEVELOPMENT
CITY OF CHICAGO
September 2, 1999

One North Dearborn, LLC

Summary Sheet
Property Located at
1 North Dearborn
(along Madison between Dearborn and State Street)

Action Requested:

1. Grant authority to publish notice of the intention of the City of Chicago to negotiate a redevelopment agreement with One North Dearborn, L.L.C. for the rehabilitation and conversion to mixed use the building located at 1 North Dearborn in the Central Loop TIF (see attached map); and
2. Approve the sale of certain property located within the Central Loop TIF Redevelopment Project Area; and
3. Request alternative proposals; and
4. Recommend to the City Council of the City of Chicago the designation of One North Dearborn, L.L.C. as the developer if no alternative proposals are received.

Developer: One North Dearborn, L.L.C.

Address: c/o Douglas Elliman Beitler
181 West Madison
Suite 3900
Chicago, IL 60602

Summary of Redevelopment Project:

Sears Store on State Street

A major component of the project is an approximately 243,000 square foot full-line Sears Department store to be located in the lower level and the first four floors of the 17-story building. Sears has agreed to a 20-year lease to occupy the space. The Sears store will have entrances at grade level on State Street and Madison Street. In addition to the relocation of the entrances and the installation of store fixtures and furnishings, the Sears space will be further improved through

the overhaul of all existing elevators servicing its space, the installation of escalators, the rehabilitation of the electrical and HVAC systems servicing the Sears store, and the substantial renovation of the exterior facade of the first two above-grade floors of the Sears space. The Sears store is planned to open in the Fall of 2000.

To assure the City of the store's continued operation, Sears will provide an operating guarantee that the State Street store will remain open and operational for 10 years from the date of the store's opening with an obligation to pay back the unamortized portion of the \$9 million TIF investment.

Office Space and Infrastructure Improvements

The remainder of the building will require significant rehabilitation and renovation of the mechanical (including elevators), plumbing, electrical, and HVAC systems to attract high quality commercial tenants. The roof and window treatments, the interior stairs, and common areas (including the separate office entrance on Dearborn Street and all restrooms) must be rehabilitated and the building facades, which are in considerable disrepair, will require substantial improvement. In addition, the loading dock must be modified, fire system controls must be repaired and other renovations must be undertaken to ensure building code compliance. Other interior and exterior rehabilitation will be undertaken as needed. The Developer recently signed a 10-year lease for Banc One to occupy approximately 400,000 square feet of space for office use.

The public infrastructure serving the building also will be upgraded and improved to bring the property up to downtown standards. The street north of the Project (Calhoun Place) and the perimeter sidewalks on Madison and Dearborn require significant repair. There are leaks into the basement areas from the sidewalk vaults. Street lighting, landscaping, and related streetscape components must be made consistent with the overall design of State Street.

Improvements to Sears' Neighborhood Stores

In conjunction with the establishment of a new downtown store, Sears has agreed to undertake an approximately \$30 million program over the next five years of upgrading and improving its Chicago stores. Sears and DPD have met individually with the aldermen with Sears stores located in their wards and discussed ways to improve the appearance and overall quality of the stores. As a result of these meetings and site visits to stores, Sears has agreed to make extensive improvements related to landscaping, enhanced fencing and lighting of parking lots, opening up enclosed ground floor store windows and overall aesthetic enhancements. Moreover, Sears is looking at ways to improve its merchandising of products to better serve residents of the different wards.

Type of Assistance:

The total project investment is \$138 million which the Developer will fund through a

combination of equity, debt and TIF assistance. Of the \$13.5 million proposed for TIF assistance, \$1.5 million will go towards infrastructure improvements, \$1.5 million to fund an exterior renovation program and \$10.5 million towards interior rehabilitation. Also, the City will convey a parcel of land underneath the building currently owned by the City to the Developer for \$1. The approximate value of this parcel based on comparable appraisals is \$1.5 million.

Ward: 42nd

Alderman: Burton F. Natarus

COMMUNITY DEVELOPMENT COMMISSION MEETING
September 2, 1999

STAFF REPORT
One North Dearborn, L.L.C.

**For a Property located at 1 North Dearborn in the
Central Loop TIF Redevelopment Project Area**

MR. CHAIRMAN AND MEMBERS OF THE COMMISSION:

The Resolution before you requests that you:

1. Grant authority to publish notice of the intention of the City of Chicago to negotiate a redevelopment agreement with One North Dearborn, L.L.C. for the rehabilitation and conversion to mixed use the building located at 1 North Dearborn in the Central Loop TIF (see attached map); and
2. Approve the sale of certain property located within the Central Loop TIF Redevelopment Project Area; and
3. Request alternative proposals; and
4. Recommend to the City Council of the City of Chicago the designation of One North Dearborn, L.L.C. as the developer if no alternative proposals are received.

THE PROPOSED DEVELOPER:

The proposed developer is a limited liability corporation comprised of the following entities for which we have Economic Disclosure Statements on file:

Entity
Beitler Holding, Inc.
Landmark Holding, Inc./Credit Suisse First Boston

THE PROPERTY:

The subject property is a 17-story terra cotta building built in 1915 and located on the north side of Madison between State and Dearborn streets. The building has nearly 900,000 square feet of rentable space and is considered a Class C office building. The property is currently 59% vacant on the upper office floors with ten retail tenants located on the ground floor. The property had been owned by out-of-state interests for many years prior to the Developer purchasing the property in 1998. The perception in the marketplace is that the property was poorly managed

and maintained for many years under the previous out-of-state ownership.

THE REDEVELOPMENT PROJECT:

Sears Store on State Street

A major component of the project is an approximately 243,000 square foot full-line Sears Department store to be located in the lower level and the first four floors of the building. Sears has agreed to a 20-year lease to occupy the space. The Sears store will have entrances at grade level on State Street and Madison Street. In addition to the relocation of the entrances and the installation of store fixtures and furnishings, the Sears space will be further improved through the overhaul of all existing elevators servicing its space, the installation of escalators, the rehabilitation of the electrical and HVAC systems servicing the Sears store, and the substantial renovation of the exterior facade of the first two above-grade floors of the Sears space. The Sears store is planned to open in the Fall of 2000.

To assure the City of the store's continued operation, Sears will provide an operating guarantee that the State Street store will remain open and operational for 10 years from the date of the store's opening with an obligation to pay back the unamortized portion of the \$9 million TIF investment.

Office Space

Although the addition of the Sears store will enhance the image of the building, the remainder of the building also will require substantial renovation in order to attract high quality commercial tenants. In this regard, the remainder of the building will require significant rehabilitation and renovation of the mechanical (including elevators), plumbing, electrical, and HVAC systems. The roof and window treatments are 84 years old and must be reconstructed. The interior stairs, finishes, and common areas (including the separate office entrance on Dearborn Street and all restrooms) must be substantially rehabilitated and the building facades, which are in considerable disrepair, will require substantial improvement. In addition, the loading dock must be modified, fire system controls must be repaired and other renovations must be undertaken to ensure building code compliance. Other interior and exterior rehabilitation will be undertaken as needed.

The Developer is in the process of signing a 10-year lease for Bank One to occupy approximately 400,000 square feet of space for office use.

Infrastructure Improvements and TIF Assistance

The public infrastructure serving the building also will be upgraded and improved to bring the property up to downtown standards. The street north of the Project (Calhoun Place) and the perimeter sidewalks on Madison and Dearborn require significant repair. There are leaks into the basement areas from the sidewalk vaults. Street lighting, landscaping, and related streetscape components must be made consistent with the overall design of State Street.

The total project investment is \$138 million which the Developer will fund through a

combination of equity, debt and TIF assistance. Of the \$13.5 million proposed for TIF assistance, \$1.5 million will go towards infrastructure improvements, \$1.5 million to fund an exterior renovation program and \$10.5 million towards interior rehabilitation. Also, the City will convey a parcel of land underneath the building currently owned by the City to the Developer for \$1. The approximate value of this parcel based on comparable appraisals is \$1.5 million.

IMPROVEMENTS TO SEARS' NEIGHBORHOOD STORES:

In conjunction with the establishment of a new downtown store, Sears has agreed to undertake an approximately \$30 million program over the next five years of upgrading and improving its existing six stores in Chicago. Sears and DPD have met individually with the aldermen with Sears stores located in their wards and discussed ways to improve the appearance and overall quality of the stores. As a result of these meetings and site visits to stores, Sears has agreed to make extensive improvements related to landscaping, enhanced fencing and lighting of parking lots, opening up enclosed ground floor store windows and overall aesthetic enhancements. Moreover, Sears is looking at ways to improve its merchandising of products to better serve residents of the different wards. The six stores affected by Sears' improvements have the following locations:

1. 1601 N. Harlem
2. Ford City
3. 61st & Western
4. 4730 W. Irving Park
5. 1334 E. 79th Street
6. 1900 W. Lawrence

PUBLIC BENEFITS:

- Over 1,200 additional jobs created: approximately 340 in the Sears store and 940 in the office portion of the project. These jobs are in addition to the approximately 1,200 jobs currently located in the office portion of the project. Following construction and opening, total jobs will exceed 2,400 positions.
- Addition of goods and services not currently provided in the Loop.
- Additional property taxes generated. When the Central Loop TIF expires in 2007, the property taxes distributed to all taxing districts will go from approximately \$2 million to \$4,070,622 annually, of which \$909,492 will go the City of Chicago.
- Additional sales, utility, employment and parking taxes. Research shows that the addition of a third anchor department store to a "mall" area has the potential to increase the per square foot productivity of existing non-department store retail establishments by

8%, potentially further adding to all incremental taxes related to the project.

- The rehabilitation of a building that has multiple vacant floors, an overall vacancy rate of 59%, a dilapidated infrastructure facade and antiquated building systems.
- The promotion of pedestrian traffic throughout the day and evening.
- Creation of approximately 360 construction jobs during the 1 ½ year build-out of the project.

The developer has signed affidavits indicating a commitment to comply with all City requirements regarding M/WBE, City residency, and prevailing wage.

RECOMMENDATION:

The Resolution before you requests that you:

1. Grant authority to publish notice of the intention of the City of Chicago to negotiate a redevelopment agreement with One North Dearborn, L.L.C. for the rehabilitation and conversion to mixed use the building located at 1 North Dearborn in the Central Loop TIF (see attached map); and
2. Approve the sale of certain property located within the Central Loop TIF Redevelopment Project Area; and
3. Request alternative proposals; and
4. Recommend to the City Council of the City of Chicago the designation of One North Dearborn, L.L.C. as the developer if no alternative proposals are received.

**One North Dearborn, L.L.C.
Central Loop TIF Redevelopment Project Area ("Area")
Basic Terms**

One North Dearborn, L.L.C. (the "Developer") proposes to rehabilitate the 17-story property located at 1 North Dearborn as a mixed-use property. A new approximately 243,000 square foot full-line Sears store will be located in the lower level and the first four floors of the building. Sears has agreed to a 20-year lease to occupy the space. The upper 13 floors are comprised of underutilized space that will be rehabilitated to allow for new tenants and the retention of the current tenants.

The City intends to provide the developer with the lesser of \$13.5 million in TIF assistance or 9.8% of the total project costs. Any increase in project costs will be the responsibility of the developer. Also, the City will convey a parcel of land underneath the building currently owned by the City to the Developer for \$1. The approximate value of this parcel based on comparable appraisals is \$1.5 million.

Specific provisions related to the City's remedies upon default, the discontinuance of operations, the sale or transfer of interest in the property by the Developer, refinancing, casualty or condemnation of the project, and other conditions will be addressed in the redevelopment agreement.

SOURCES AND USES OF FUNDS

<u>SOURCES</u>		<u>USES</u>	
First mortgage lender	\$ 89,873,857	Acquisition	\$ 67,516,688
Equity: Mezzanine Preferred	25,457,952	Base Building Rehab	31,920,000
Equity: Sears	8,724,000	Non-Retail Tenant Improvements	9,900,000
TIF Assistance	13,500,000	Public alley and sidewalks	1,500,000
TOTAL SOURCES	\$137,555,809	Architect & Engineering	2,374,000
		Development Administration	1,400,000
		Legal/Accounting	1,000,000
		Interim real estate taxes	3,500,000
		Interest carry	8,418,750
		Lease commissions	5,300,000
		Tenant relocation	1,000,000
		Other soft costs	3,726,371
		TOTAL USES	\$137,555,809

COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO

RESOLUTION NO. 99-CDC-__

REQUESTING AUTHORITY TO

PUBLISH NOTICE
OF THE INTENTION OF THE CITY OF CHICAGO
TO APPROVE THE SALE OF CERTAIN PROPERTY LOCATED WITHIN THE
CENTRAL LOOP REDEVELOPMENT PROJECT AREA AND

NEGOTIATE A
REDEVELOPMENT AGREEMENT WITH
ONE NORTH DEARBORN, LLC
FOR A SITE LOCATED AT 1 NORTH DEARBORN
WITHIN THE
CENTRAL LOOP REDEVELOPMENT PROJECT AREA,

AND

TO REQUEST ALTERNATIVE PROPOSALS,

AND

RECOMMEND TO
THE CITY COUNCIL OF THE CITY OF CHICAGO
THE DESIGNATION OF
ONE NORTH DEARBORN, LLC
AS THE DEVELOPER IF NO OTHER
RESPONSIVE ALTERNATIVE PROPOSALS ARE RECEIVED

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (referred to herein collectively with the Mayor as the "Corporate Authorities") (as codified in Section 2-124 of the City's Municipal Code) pursuant to Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (1993) (the "Act"); and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Act; and

WHEREAS, the City Council, upon the Commercial Development Commission's recommendation pursuant to Resolution 96-CDC-81 and pursuant to the Act, enacted three ordinances on February 7, 1997, pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the Central Loop project area (the "Area"), designated the Area as a redevelopment project area and adopted tax increment allocation financing for the Area (such ordinances, collectively, the "TIF Ordinances"). The street boundaries of the Area and street address, if available, are described on Exhibit A hereto; and

WHEREAS, One North Dearborn, LLC (the "Company"), has presented to the City's Department of Planning and Development ("DPD") a proposal for the redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of substantial rehabilitation of the property generally located at 1 North Dearborn (the "Project"); and

WHEREAS, the portion of the Project site legally discussed on Exhibit B hereto (the "City Parcel") is presently owned by the City and leased to the Company; and

WHEREAS, the City desires to convey the City Parcel to the Company for inclusion in the Project; and

WHEREAS, pursuant to Section 5/11-74.4-4(c) of the Act, the City may not enter into any agreement regarding redevelopment within the Area without first making public disclosure of the terms of such agreement and all bids and proposals related thereto and providing reasonable opportunity for any person to submit an alternative proposal or bid; and

WHEREAS, pursuant to Section 5/11-74.4(c) of the Act, the City may not dispose of any land owned by the City within the Area without making public disclosure of the terms of the disposition; and

WHEREAS, DPD requests the authority of the Commission to make the required disclosures by publishing notice substantially in the form set forth as Exhibit C hereto (the "Notice") in the Chicago Sun-Times or the Chicago Tribune, being newspapers of general circulation within the Area; and

WHEREAS, DPD requests that the Commission recommend to City Council that the Company be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Company for the Project and providing for the conveyance of the City Parcel to the Company for inclusion in such Project if no responsive alternative proposals are received by DPD within thirty days after publication of the Notice; now, therefore,

**BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE
CITY OF CHICAGO:**

Section 1. The above recitals are incorporated herein and made a part hereof.

Section 2. The Commission hereby authorizes DPD to publish the Notice.

Section 3. The Commission hereby recommends to City Council that, subject to the condition described below, the Company be designated the developer for the Project and that DPD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Companies for the Project, so long as no responsive alternative proposals are received by DPD within the time recited above.

Section 4. The Commission hereby authorizes the sale of the City Parcel to the Company for \$1, subject to the execution of the redevelopment agreement described above.

Section 5. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.

Section 6. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 7. This resolution shall be effective as of the date of its adoption.

Section 8. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: _____, 1999

Attachments: Exhibit A, Description of the Area
Exhibit B, Description of City Parcel
Exhibit C, Form of Notice requesting Alternative Proposals

EXHIBIT A

Street Boundaries of the Area

Central Loop TIF Street Boundary Description

The Area is irregularly shaped and generally bounded by Wacker Drive on the north, Michigan Avenue on the east, Congress Parkway on the south, and Dearborn, LaSalle, and Franklin Streets on the west.

EXHIBIT B

PUBLIC NOTICE is hereby given by the Community Development Commission ("CDC") of the City of Chicago (the "City") pursuant to Section 5/11-74.4-4(c) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (1993) (the "Act"), that the City's Department of Planning and Development ("DPD") intends to negotiate a redevelopment agreement (the "Redevelopment Agreement") with One North Dearborn, LLC, (the "Company") pursuant to which the City intends to provide financial assistance to the Company, using tax increment allocation financing ("TIF") revenues pursuant to the Act and other sources of funds, for the rehabilitation costs related to the redevelopment of property generally located at 1 North Dearborn (the "Project") on the northwest corner of State Street and Madison Avenue on a site in Chicago, Illinois (the "Site"), within the Central Loop Redevelopment Project Area (the "Area") established pursuant to the Act. As part of the Project, the City also intends to convey a portion of the Project Site comprising 7,800 square feet that is presently owned by the City for \$1. The Site is to be redeveloped for mixed use. The Area is irregularly shaped and generally bounded as follows:

Waker Drive on the north, Michigan Avenue on the east, Congress Parkway on the south, and Dearbon, LaSalle and Franklin Streets on the west.

THE CITY HEREBY INVITES ALTERNATIVE PROPOSALS FOR THE REDEVELOPMENT OF THE SITE FOR CONSIDERATION BY THE CITY.

The documents listed below related to the Area and the Project are available for public inspection at the offices of DPD, Room 1000, City Hall, 121 North LaSalle Street, Chicago, Illinois between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday:

- (i) "Central Loop Tax Increment Redevelopment Plan and Project" (the "Plan")
- (ii) a terms sheet showing all proposed material terms of the Redevelopment Agreement as of the date hereof, including but not limited to an estimated Project budget setting forth the amount of financial assistance the City intends to provide to the Company for the Project; and
- (iii) the terms of all bids and proposals received, if any, by the City related to the Project and the Redevelopment Agreement.

Please contact Tyrone Tabing of DPD at (312) 744-0986 to review these materials and for information regarding the form required for proposals submitted to the City. Those submitting alternative proposals must be financially and otherwise qualified to complete the Project. The City reserves the right to reject any and all proposals. Proposals will be received by the City at DPD's offices, Room 1000, City Hall, 121 North LaSalle Street, Chicago, Illinois 60602, until September 24, 1999 at 10:00 a.m., at which time all alternative proposals will be opened and reviewed.

Elvin E. Charity, Chairman
COMMUNITY DEVELOPMENT COMMISSION
City of Chicago

EXHIBIT C

Legal Description of "City Parcel":


Lot 2 in the subdivision of Lot 8 and of the East 30 feet of Lot 7 in Block 58 in the original town of Chicago, together with a strip of land lying between the East line of said Lot 8 and the West line of State Street as fixed by Act of General Assembly of the State of Illinois approved March 3, 1845 as appears for the plat thereof recorded January 26, 1872 in Book 1 of plats, page 20 in Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

CERTIFICATE

I, Raymond Redell, the duly authorized, qualified and Assistant Secretary of the **Community Development Commission of the City of Chicago**, and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a Resolution adopted by the **Community Development Commission of the City of Chicago** at a Regular Meeting held on the 2nd Day of September, 1999, with the original Resolution adopted at said meeting and recorded in the minutes of the Commission, and do hereby certify that said copy is a true, correct and complete transcript of said Resolution.

Dated this the 2nd Day of September, 1999



ASSISTANT SECRETARY
Raymond Redell

99-CDC-169

COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO

RESOLUTION NO. 99-CDC-16A

REQUESTING AUTHORITY TO

PUBLISH NOTICE
OF THE INTENTION OF THE CITY OF CHICAGO
TO APPROVE THE SALE OF CERTAIN PROPERTY LOCATED WITHIN THE
CENTRAL LOOP REDEVELOPMENT PROJECT AREA AND

NEGOTIATE A
REDEVELOPMENT AGREEMENT WITH
ONE NORTH DEARBORN, LLC
FOR A SITE LOCATED AT 1 NORTH DEARBORN
WITHIN THE
CENTRAL LOOP REDEVELOPMENT PROJECT AREA,

AND

TO REQUEST ALTERNATIVE PROPOSALS,

AND

RECOMMEND TO
THE CITY COUNCIL OF THE CITY OF CHICAGO
THE DESIGNATION OF
ONE NORTH DEARBORN, LLC
AS THE DEVELOPER IF NO OTHER
RESPONSIVE ALTERNATIVE PROPOSALS ARE RECEIVED

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (referred to herein collectively with the Mayor as the "Corporate Authorities") (as codified in Section 2-124 of the City's Municipal Code) pursuant to Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (1993) (the "Act"); and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Act; and

WHEREAS, the City Council, upon the Commercial Development Commission's recommendation pursuant to Resolution 96-CDC-81 and pursuant to the Act, enacted three ordinances on February 7, 1997, pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the Central Loop project area (the "Area"), designated the Area as a redevelopment project area and adopted tax increment allocation financing for the Area (such ordinances, collectively, the "TIF Ordinances"). The street boundaries of the Area and street address, if available, are described on Exhibit A hereto; and

WHEREAS, One North Dearborn, LLC (the "Company"), has presented to the City's Department of Planning and Development ("DPD") a proposal for the redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of substantial rehabilitation of the property generally located at 1 North Dearborn (the "Project"); and

WHEREAS, the portion of the Project site legally discussed on Exhibit B hereto (the "City Parcel") is presently owned by the City and leased to the Company; and

WHEREAS, the City desires to convey the City Parcel to the Company for inclusion in the Project; and

WHEREAS, pursuant to Section 5/11-74.4-4(c) of the Act, the City may not enter into any agreement regarding redevelopment within the Area without first making public disclosure of the terms of such agreement and all bids and proposals related thereto and providing reasonable opportunity for any person to submit an alternative proposal or bid; and

WHEREAS, pursuant to Section 5/11-74.4(c) of the Act, the City may not dispose of any land owned by the City within the Area without making public disclosure of the terms of the disposition; and

WHEREAS, DPD requests the authority of the Commission to make the required disclosures by publishing notice substantially in the form set forth as Exhibit C hereto (the "Notice") in the Chicago Sun-Times or the Chicago Tribune, being newspapers of general circulation within the Area; and

WHEREAS, DPD requests that the Commission recommend to City Council that the Company be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Company for the Project and providing for the conveyance of the City Parcel to the Company for inclusion in such Project if no responsive alternative proposals are received by DPD within thirty days after publication of the Notice; now, therefore,

BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO:

Section 1. The above recitals are incorporated herein and made a part hereof.

Section 2. The Commission hereby authorizes DPD to publish the Notice.

Section 3. The Commission hereby recommends to City Council that, subject to the condition described below, the Company be designated the developer for the Project and that DPD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Companies for the Project, so long as no responsive alternative proposals are received by DPD within the time recited above.

Section 4. The Commission hereby authorizes the sale of the City Parcel to the Company for \$1, subject to the execution of the redevelopment agreement described above.

Section 5. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.

Section 6. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 7. This resolution shall be effective as of the date of its adoption.

Section 8. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: September 2, 1999

Attachments: Exhibit A, Description of the Area
Exhibit B, Description of City Parcel
Exhibit C, Form of Notice requesting Alternative Proposals