

STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

CERTIFICATE

I, Jennifer Rampke, 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 23rd Day of October 2001 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 23rd Day of October 2001


ASSISTANT SECRETARY
Jennifer Rampke

01-CDC-96

**COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO**

RESOLUTION NO. 01 - CDC - 96

**AUTHORITY TO PUBLISH NOTICE
OF THE INTENTION OF THE CITY OF CHICAGO
TO NEGOTIATE A
REDEVELOPMENT AGREEMENT WITH
UNITED HELLENIC AMERICAN CONGRESS OF ILLINOIS
AND THE HELLENIC MUSEUM AND CULTURAL CENTER
WITHIN THE
NEAR WEST T.I.F. REDEVELOPMENT PROJECT AREA,**

AND

TO REQUEST ALTERNATIVE PROPOSALS,

AND

**TO RECOMMEND TO
THE CITY COUNCIL OF THE CITY OF CHICAGO FOR
THE DESIGNATION OF
UNITED HELLENIC AMERICAN CONGRESS OF ILLINOIS
AND THE HELLENIC MUSEUM AND CULTURAL CENTER
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 (the 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; 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 Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.), (as amended from time to time, the "Act"); and

WHEREAS, the City Council, upon the Commission's recommendation pursuant to Resolution 98-CDC-94 and pursuant to the Act, enacted three ordinances on June 10, 1996 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the Near West Redevelopment 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 are described on Exhibit A hereto; and

WHEREAS, United Hellenic American Congress of Illinois and the Hellenic Museum and Cultural Center (the "Company"), has presented to the City's Department of Planning and Development ("DPD") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of the construction of a museum and cultural center; 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, DPD requests the authority of the Commission to make the required disclosure by publishing notice substantially in the form set forth as Exhibit B 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, if no responsive alternative proposals are received by DPD within fourteen 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 the Company be designated as 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 Company for the Project, so long as no responsive alternative proposals are received by DPD within the time recited above.
- Section 4. 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 5. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 6. This resolution shall be effective as of the date of its adoption.

Section 7. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: October 23, 2001

Attachments: Exhibit A, Street Boundary Description
Exhibit B, Form of Notice requesting alternative Proposals

**DEPARTMENT OF PLANNING AND DEVELOPMENT
CITY OF CHICAGO**

**COMMUNITY DEVELOPMENT COMMISSION MEETING
OCTOBER 23, 2001**

**HELLENIC MUSEUM OF CHICAGO
DEVELOPER DESIGNATION**

SUMMARY SHEET

Actions

Requested:

- 1) Grant authority to publish a notice of the intention of the City to negotiate a Redevelopment Agreement with the United Hellenic American Congress of Illinois (UHAC) and the Hellenic Museum and Cultural Center (the "Hellenic Museum") for the use of tax increment revenues for the development of the Hellenic Museum and Cultural Center (the "Project") on a site located at 333 South Halsted (the "Site") in the Near West TIF District (the "Area"); and
- 2) Approve a request for alternative proposals for the development of the Site; and
- 3) Recommend to the City Council of the City of Chicago the designation of UHAC and the Hellenic Museum as Developer of the Project if no responsive alternate proposals are received.

Project: Construction and operation of a museum and cultural center.

Location: The Site is located at 333 South Halsted, currently occupied by Turek Hardware.

Size: Approximately 40,000 square feet.

Developers: United Hellenic American Congress of Illinois and the Hellenic Museum and Cultural Center (a not-for-profit organization).

Type/Level of Assistance: TIF funds in an amount not to exceed \$3,500,000, from Near West TIF bond proceeds and/or available TIF incremental revenue. \$2,500,000 would be provided at closing, with the remaining \$1,000,000 disbursed after issuance of a certificate of completion. A letter of credit or other financial instrument will be used to secure the City funds.

Type of

Development: Construction and operation of a museum and cultural center, with associated exhibit space, research facilities, auditorium, gift shop and offices.

**Ward/
Alderman:** The Site is located in the City's 27th Ward. Alderman Walter Burnett will provide a letter of support for this designation.

Issues: The Department of Planning is not aware of any issues that would negatively impact the Project or the designation of the Developer.

Project Benefits: The development of the Hellenic Museum and Cultural Center will serve as a focal point and strong support for the Greek community along Halsted Street. as well as a cultural center of national significance for shows and exhibitions.

M/WBE: During construction the Developer will be required to meet the Department's MBE / WBE, residency, and prevailing wage requirements.

Community Outreach:

The Developer has met with the Alderman and with the Greektown SSA.

Summary: The City seeks to designate UHAC and the Hellenic Museum and Cultural Center as the Developer for 333 South Halsted Street site in the Near West Tax Increment Financing Redevelopment Project Area.

**COMMUNITY DEVELOPMENT COMMISSION MEETING
OCTOBER 23, 2001**

STAFF REPORT

Mr. Chairman and members of the Commission:

The resolution before you requests that the Commission:

- 1.) Grant authority to publish a notice of the intention of the City to negotiate a Redevelopment Agreement with the United Hellenic American Congress of Illinois (UHAC) and the Hellenic Museum and Cultural Center (the "Hellenic Museum") for the use of tax increment revenues for the development of the Hellenic Museum and Cultural Center (the "Project") on a site located at 333 South Halsted (the "Site") in the Near West TIF District (the "Area"); and
- 2.) Approve a request for alternative proposals for the development of the Site; and
- 3.) Recommend to the City Council of the City of Chicago the designation of UHAC and the Hellenic Museum as Developer of the Project if no responsive alternate proposals are received.

Background:

The Greek community in Chicago traces its beginnings to immigrants to the United States in the late 1800's and early 1900's, the period of the first major waves of Greek immigration to this country. While early settlement was clustered in the area south and west of Harrison and Halsted, extending as far as Blue Island Avenue and Polk Street, the commercial heart of the community has remained on Halsted Street while the residential community has moved throughout Chicago.

As with many immigrant groups, there has been an ongoing attempt to balance the pressures for acclimatization with the desire to preserve the language, traditions and culture of the homeland. The idea of a Hellenic museum has been a part of this on-going process for many years, and with the long-term presence of the largest (for many years) Greek population in the United States, plans have been finalized for the construction and operation of the Hellenic Museum and Cultural Center in Chicago.

Proposed Development:

The proposed development will anchor the south end of Halsted Street north of the Eisenhower expressway, adding to the synergy already existing among the numerous Greek restaurants and commercial establishments in the area. With exhibition and gallery space, classrooms, offices, an auditorium, gift shop and research facilities, the Museum will be able to support a wide range of

activities, attracting both local and national participants. Approximately 40,000 square feet will be built on four floors, with parking available through agreements with area garages and parking lots. The site of the development is currently occupied by Turek Hardware, which has signed a purchase contract with UHAC. The site will be vacated within a 2-year span, while UHAC enters into its full fund-raising campaign and the site is prepared for new construction (see attached exhibits). UHAC has retained a professional fund-raising organization for the campaign for the Hellenic Museum, and has asked that the City begin its process toward a Redevelopment Agreement with this presentation to the CDC at this time to dovetail with its fund-raising efforts and the planned closing on their real estate contract in January, 2002. Because of the strength of the Greek community in Chicago and its ties throughout the metropolitan area, fund-raising is expected to proceed strongly on local, national and international levels.

The special use zoning requirement for a museum use is for 75 parking spaces within 1000 feet of the site. However, a parking study prepared for the Developer indicates a peak demand of 95 spaces. The Developer will have 11 spaces available on the development site, and is negotiating with adjacent owners for the vacation of Gladys Street and the provision of another 15 spaces immediately adjacent to the museum site in the vacated street. In addition, the Developer has parking agreements with owners of surface lots within two blocks of the site for the lease of another 75 spaces (to be available at a discounted rate), for a total of 101 spaces. There are also proposals by two developers for parking garage construction in the area that would be able to provide additional parking spaces. The parking study also points out the availability of good public transportation at the site, and the likelihood that museum patrons will share rides and combine trips with dining and shopping in the area. In the event that the proposed parking garages do not begin construction before the Museum, the Developer has committed to the construction of underground parking for approximately 40 cars and to obtain the remaining 35 required spaces through a lease with a surface lot within 1000 feet of the site.

Timing:

Zoning and design reviews are on-going. When necessary approvals are received, construction will occur as soon as the property is vacated and initial fund-raising is successful. The real estate purchase contract provides for a maximum two-year liquidation period for Turek hardware.

Developer:

United Hellenic American Congress of Illinois (UHAC) and the Hellenic Museum and Cultural Center (the "Hellenic Museum"). The architect for the Project is the firm of Papageorge Haymes, Ltd.

Project Costs / Sources and Uses of Funds:

The total development cost of this Project is expected to be \$15,266,333. Uses of funds for the Project are detailed on the attached Summary Budget.

Sources of funds will be the UHAC and Hellenic Museum fund-raising campaign with a goal of

\$11,766,333, and the City's maximum \$3,500,000 in TIF assistance which will be reserved for land acquisition, with \$2,500,000 being deposited into escrow upon closing, and the remaining \$1,000,000 issued upon completion of construction. The Developers do not anticipate that underground parking will be necessary, but are prepared to include additional construction costs in their fund-raising campaign. There will not be additional City funding for this possible cost.

Deal Structure:

The proposed Developer has requested TIF assistance in the amount of \$3,500,000, which would be made available through a negotiated Redevelopment Agreement and would utilize Near West 2000 Bond proceeds or available TIF incremental revenues. City funds would be secured by a mortgage on the property or through a letter of credit, to secure completion and operation of the Project for a period of 20 years. Timing of funding will be negotiated through the Department of Law and incorporated in the Redevelopment Agreement.

Acquisition:

The Project Site is currently under contract by UHAC and the Hellenic Museum. The City is not a party to the acquisition.

Conformance with the TIF Plan:

This Project is in conformance with the recommendations of the 1996 TIF Plan and DPD's Near West Side Neighborhood Plan. A museum is allowed as a special use under the commercial zoning for this Site.

Community Outreach:

The Project has strong support in the immediate business community and through out the Greek-American community in Chicago and across the United States. The Developers have also met with the Greektown SSA and with Alderman Burnett; both are supporters of the Project.

Project Benefits:

The development of the Hellenic Museum and Cultural Center will serve as a focal point and strong support for the Greek community along Halsted street, as well as a cultural center of national significance for shows and exhibitions. The Developer is committed to implementing a community access program that will make space within the museum available from time to time to local community organizations. In the course of developing the site, the Museum will work with the Illinois Department of Transportation to landscape the Dan Ryan expressway embankment to the east.

Redevelopment Agreement Requirements / MBE-WBE:

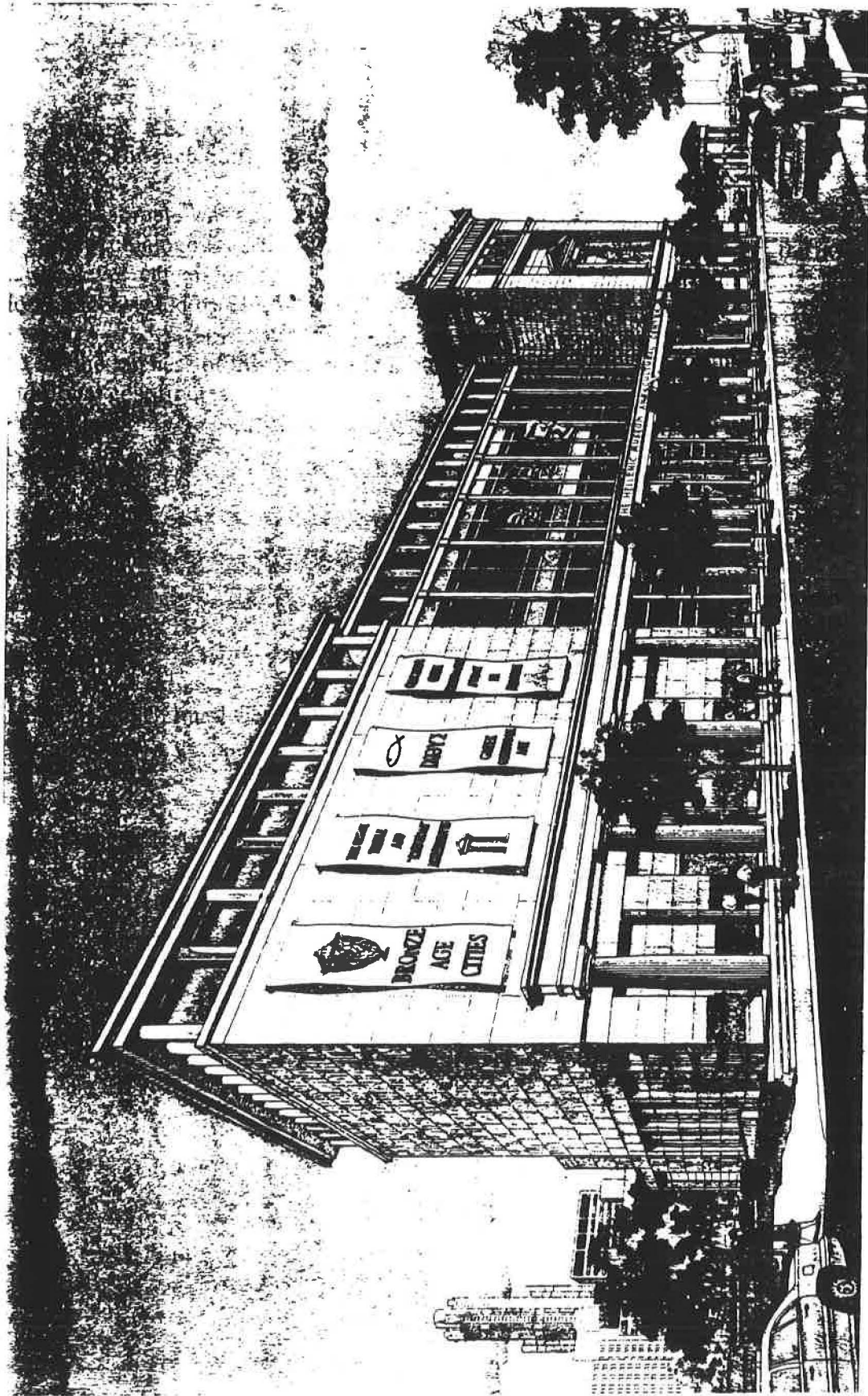
During the construction of the Projects the Department's standard M/WBE, prevailing wage and

residency requirements will apply. The Developer has not selected a general contractor at this time but will comply with all City and DPD goals and requirements.

Recommendation:

Based on its review of the proposed Project, the Department of Planning and Development recommends that the Community Development Commission take the following actions, as embodied in the attached Resolution:

- 1.) Grant authority to publish a notice of the intention of the City to negotiate a Redevelopment Agreement with the United Hellenic American Congress of Illinois (UHAC) and the Hellenic Museum and Cultural Center (the "Hellenic Museum") for the use of tax increment revenues for the development of the Hellenic Museum and Cultural Center (the "Project") on a site located at 333 South Halsted (the "Site") in the Near West TIF District (the "Area"); and
- 2.) Approve a request for alternative proposals for the development of the Site; and
- 3.) Recommend to the City Council of the City of Chicago the designation of UHAC and the Hellenic Museum as Developer of the Project if no responsive alternate proposals are received.



View Looking Southeast

