

ORDINANCE NO. 003-86

AN ORDINANCE CONSENTING TO THE SALE OF
TWO PARCELS OF CITY OF CHICAGO PROPERTY
LOCATED AT THE CHICAGO TRANSIT AUTHORITY
HOWARD YARD AND AUTHORIZATION TO
EXECUTE AN EASEMENT AGREEMENT WITH THE
CITY OF CHICAGO

WHEREAS, The Metropolitan Transit Authority Act, approved April 12, 1945, created the Chicago Transit Authority ("Authority") to operate and maintain a public service transportation system in the metropolitan area of Cook County, Illinois; and

WHEREAS, The City of Chicago ("City"), by Ordinance passed by the City Council on April 23, 1945, granted the exclusive rights to acquire, construct, reconstruct, maintain and operate facilities for local transportation within the City of Chicago; and

WHEREAS, The City and the Authority entered into an Agreement, dated June 26, 1968, for the operation and maintenance of the Dan Ryan rapid transit facility; and

WHEREAS, The City and the Authority entered into an Agreement, dated May 17, 1995, for the operation and maintenance of the Howard-Dan Ryan rapid transit facilities, commonly known as the Red Line; and

WHEREAS, The Howard Branch of the Red Line extends from downtown Chicago to the Howard Yard; and

WHEREAS, The City is the owner, in fee, of certain parcels of property located at the Howard Yard; and

WHEREAS, The City is currently working with Investment Management Corporation ("Developer") on the New Homes for Chicago Condominium Rehabilitation Program ("Residential Development Project") located across the street from the Howard Yard; and

WHEREAS, In conjunction with the Residential Development Project, the City has requested that the Authority consent to the conveyance of two parcels of property owned by the City, commonly known as 7716-24 North Haskins Avenue and 1721 West Jonquil Terrace, Chicago, Illinois, to the Developer, which would be used as an off-street parking lot and for landscaping purposes ("City Property"); and

WHEREAS, The City Property consists of two vacant triangular parcels of property, includes a total of approximately 11,613 square feet and is located outside the Howard Yard concrete retaining wall; and

ORDINANCE NO. 003-86

(Continued) -2

WHEREAS, The City Property is not currently used by the Authority for transit operations purposes; and

WHEREAS, The Authority's Operations, Engineering and Maintenance staff have reviewed this proposal and determined that the City Property is not required for transit operations and could be made available for sale to the City's developer, subject to the Authority retaining permanent easement rights which would permit 24-hour access to the City Property for operations, maintenance and repair activities at the Howard Yard and the Howard Yard retaining wall; and

WHEREAS, Prior to the conveyance of the City Property to the Developer, the City shall grant the Authority a permanent easement for the aforementioned operations and maintenance activities; and

WHEREAS, The City's Deeds to the Developer will include a reservation of rights for the benefit of the Authority and covenants limiting use of the City Property for parking and landscaping purposes only, and prohibits the Developer from building any structures on the Property; and

WHEREAS, In order to complete this project, the City plans to vacate a portion of North Haskins Avenue ("Public Way"), a portion of which borders on the Authority's Howard Yard; and

WHEREAS, The Authority shall consent to the proposed vacation of Public Way in the residential development area; and

WHEREAS, The Authority desires to support economic development projects which benefit the surrounding community and do not negatively impact the Authority's operations; and

WHEREAS, Pursuant to Section 54.3-3 of the Regulations Governing Purchase and Sales Transactions, contracts between units of government are not subject to a competitive bid process; now, therefore:

**BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD
OF THE CHICAGO TRANSIT AUTHORITY:**

SECTION 1. That the Chicago Transit Board of the Chicago Transit Authority hereby consents to the sale of two parcels of property owned by the City of Chicago at the Authority's Howard Yard, commonly known as 7716-24 North Haskins Avenue and 1721 West

ORDINANCE NO. 003-86

(Continued) -3

Jonquil Terrace, Chicago, Illinois, and legally described on Exhibit A and Exhibit B, and depicted on Exhibit C and Exhibit D, on the following conditions:

- (1) That the Deeds from the City of Chicago to the Developer include a reservation of rights for the benefit of the Authority, and include covenants that permit use of the Property only for parking and landscaping purposes and prohibits the Developer from building any structures on the Property, and
- (2) That prior to conveyance of said parcels of property, the City of Chicago grant to the Authority an Easement for certain property located at the Howard Yard, legally described on Exhibit A and Exhibit B and depicted on Exhibit C and Exhibit D. The Easement Agreement between the City of Chicago and the Authority shall include a fee of one dollar (\$1.00), provide that the Authority retain 24-hour access over, upon and across the Property for operations, maintenance and repair purposes of the Howard Yard, include an indemnification of the City of Chicago by the Authority, and include such other terms and conditions substantially in the form attached hereto and incorporated herein as Exhibit E ("Easement Agreement").

SECTION 2. That the Chicago Transit Board hereby consents to the vacation of North Haskins Avenue, located in the residential development area.

SECTION 3. That the Chairman of the Chicago Transit Board, or her designee, is hereby authorized to execute the Easement Agreement and any and all additional documents necessary to effectuate the transactions contemplated herein.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

Assistant Secretary

July 2, 2003

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