



Office of the Chicago City
Clerk



O2012-1364

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date: 3/14/2012
Sponsor(s): Emanuel, Rahm (Mayor)
Type: Ordinance
Title: Amendment to loan agree and promissory note with MRL
Financing, LLC
Committee(s) Assignment: Committee on Finance

FIN.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

March 14, 2012

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Chief Financial Officer, I transmit herewith an ordinance authorizing an amendment to a loan agreement and promissory note with MRL Financing, LLC.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor

ORDINANCE

WHEREAS, the City of Chicago ("*City*") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970 and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City, pursuant to that certain ordinance approved by the City Council of the City of Chicago on December 17, 2008 and published in the Journal of Proceedings for such date at pages 50835-50980, as amended by that certain ordinance approved by the City Council of the City of Chicago on November 17, 2010 and published in the Journal of Proceedings for such date at pages 107294-107302 (collectively, the "*Acquisition and Financing Ordinance*"), assumed the rights of Chicago 2016, an Illinois not-for-profit corporation ("*Chicago 2016*"), under that certain Amended and Restated Purchase and Sale Agreement, dated as of November 24, 2008, between MRL Acquisition, LLC, an Illinois limited liability company (the "*Seller*"), and Chicago 2016, in substantially the form attached as Exhibit C to the Acquisition and Financing Ordinance (the "*Purchase Agreement*"), and under that certain City Assumption Agreement in substantially the form attached as (Sub)Exhibit L to the Purchase Agreement (the "*City Assumption Agreement*"); and

WHEREAS, pursuant to the Acquisition and Financing Ordinance, the City acquired the parcels of real property then known as the Michael Reese Hospital campus as identified in Exhibits A and B to the Acquisition and Financing Ordinance (the "*Property*"); and

WHEREAS, the City and the Seller entered into that certain Loan Agreement in substantially the form attached as (Sub)Exhibit G to the Purchase Agreement dated as of June 30, 2009 (the "*Original Loan Agreement*") setting forth the terms of that certain loan to the City as more fully described in the Original Loan Agreement (the "*Loan*"); and

WHEREAS, the City also delivered to the Seller that certain Promissory Note in substantially the form attached as (Sub)Exhibit K-1 to the Purchase Agreement, dated June 30, 2009, in the original principal amount of Eighty-Six Million and 00/100 Dollars (\$86,000,000) (the "*Original Promissory Note*"); and

WHEREAS, the City agreed, pursuant to Section 2.1.9 of the Original Loan Agreement, to (a) increase the then outstanding principal balance of the Loan by Five Million and 00/100 Dollars (\$5,000,000) in the event that the International Olympic Committee ("*IOC*") awarded the 2016 Olympic Games to a city other than the City of Chicago, and (b) issue an amended and restated promissory note to evidence the addition of such Contingent Amount to the principal balance of the Loan (the "*First Amended and Restated Promissory Note*"); and

WHEREAS, on October 2, 2009, the IOC awarded the 2016 Olympic Games to a city other than the City of Chicago; and

WHEREAS, pursuant to Section 7.1 of the Original Loan Agreement, the Seller assigned its interests under the Loan and the Original Loan Agreement, and its right to receive from the City the First Amended and Restated Promissory Note, to MRL Financing, LLC, an Illinois limited liability company (including any affiliate or assignee thereof as approved by the Chief Financial Officer of the City, "*Lender*"), and Lender assumed the Seller's rights and obligations under the Loan, the Original Loan Agreement and the First Amended and Restated Promissory

Note pursuant to that certain Assignment and Assumption of Loan Agreement dated December 8, 2009 and effective as of October 2, 2009; and

WHEREAS, the City and Lender entered into that certain First Amendment to Loan Agreement, dated as of December 8, 2009 and effective as of October 2, 2009 (the "*First Amendment to Loan Agreement*"), to reflect the revised terms of the First Amended and Restated Promissory Note as recited above and the new outstanding principal balance of the loan of Ninety-One Million and 00/100 Dollars (\$91,000,000); and contemporaneously therewith, the Seller redelivered the Original Promissory Note to the City and the City delivered the First Amended and Restated Promissory Note to Lender in substitution therefor; and

WHEREAS, the City and Lender have determined to restructure the First Amended and Restated Promissory Note, which restructuring may include but not be limited to, among other things, (i) changing the interest rate or rates on the Note (as defined below) in such a manner as the Chief Financial Officer determines is in the best interest of the City, (ii) providing for the Note to bear interest on a tax-exempt rather than a taxable basis, (iii) modifying the maturity and amortization dates of the Note, (iv) modifying the interest accrual and deferral provisions of the Note, and (v) such other changes as the Chief Financial Officer determines are in the best interests of the City; and

WHEREAS, the City and Lender will enter into a Second Amendment to Loan Agreement (the Original Loan Agreement, as amended by the First Amendment to Loan Agreement, the Second Amendment to Loan Agreement and any subsequent amendment to the Loan Agreement, is hereinafter referred to as the "*Loan Agreement*") in order to effect the restructuring described in the immediately preceding Recital; and

WHEREAS, contemporaneously therewith, Lender will redeliver the First Amended and Restated Promissory Note to the City and the City will issue its Second Amended and Restated Promissory Note (the "*Restructured Note*" and, collectively with any subsequent amendment to the Restructured Note pursuant to this Ordinance, the "*Note*"), payable to Lender, in accordance with the Loan Agreement and this Ordinance; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

Section 1. The foregoing recitals, findings and statements of fact are hereby adopted as the findings of the City Council.

Section 2. The City's restructuring of the First Amended and Restated Promissory Note as described in the Recitals hereto is hereby approved. In connection with such restructuring, the City's execution of (i) the Second Amendment to Loan Agreement and (ii) the Restructured Note is hereby approved, in each case with such revisions in text as the official of the City executing the same shall determine are necessary or desirable, the execution thereof by such officials to evidence the City Council's approval of all such revisions. The Mayor, the City Clerk, the Chief Financial Officer, and the City Comptroller are each authorized to execute such documents.

Section 3. The Note shall be subject to the following limitations: (a) the Note shall bear interest at an interest rate that is not greater than 18 percent per annum, (b) the Note shall mature no later than 40 years from the Refunding Closing Date (as defined in the Loan Agreement), and (c) the principal amount of the Note shall not exceed \$91,000,000 plus interest

heretofore and hereafter accrued, deferred and/or capitalized, all as may be determined by the Chief Financial Officer.

Section 4. Subsequent to the restructuring of the Restructured Note, the Chief Financial Officer shall file in the office of the City Clerk a notification directed to the City Council setting forth the terms of the Restructured Note and attaching the final forms of the Second Amendment to Loan Agreement and the Restructured Note.

Section 5. The City is also authorized to issue one or more funding notes (each, a "Funding Note") in order to fund certain mandatory redemptions required under the Loan Agreement. Each Funding Note shall be subject to the following limitations: (a) each Funding Note shall bear interest at an interest rate that is not greater than 18 percent per annum, (b) each Funding Note shall mature no later than 40 years from the date of its issuance, and (c) the principal amount of all the Funding Notes shall not exceed \$91,000,000 plus interest heretofore and hereafter accrued, deferred and/or capitalized on the Note, all as may be determined by the Chief Financial Officer. Subsequent to the issuance of each Funding Note, the Chief Financial Officer shall file in the office of the City Clerk a notification directed to the City Council setting forth the terms of such Funding Note and attaching the final form of such Funding Note.

Section 6. The Mayor, the Chief Financial Officer, the City Comptroller and the City Clerk is each hereby authorized to execute and deliver such other documents and agreements and perform such other acts prior to or following the restructuring of the Restructured Note or the issuance of any Funding Note as may be necessary or desirable in connection with the restructuring of the Restructured Note or the issuance of any Funding Note (including, from time to time, future restructurings of the Note) such that the Note or any such Funding Note shall have such terms as the Chief Financial Officer finds to be in the best interests of the City, but subject to any limitations on or restrictions of such power or authority as herein set forth (including Section 3 and Section 5 hereof), and any such actions heretofore taken by the Mayor, the Chief Financial Officer, the City Comptroller or the City Clerk in accordance with the provisions hereof are hereby ratified and approved.

Section 7. The Note and any Funding Note shall be executed on behalf of the City with the manual or facsimile signature of the Mayor of the City, and attested with the manual or facsimile signature of the City Clerk. The Note and any Funding Note shall not be valid or obligatory for any purpose unless and until the certificate of authentication on the Note and any Funding Note shall have been duly executed by the Chief Financial Officer or City Comptroller, and such executed certificate of authentication shall be conclusive evidence that the Note has been authenticated and delivered under this Ordinance. In case any officer whose signature shall appear on the Note and any Funding Note shall cease to be such officer before the delivery of such Note or any such Funding Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. As used in this Ordinance, "*Chief Financial Officer*" shall mean the Chief Financial Officer of the City appointed by the Mayor or, in the event no person is at the time then so appointed and acting, the City Comptroller, and "*City Clerk*" shall mean the duly qualified and acting City Clerk of the City or any Deputy City Clerk or other person that may lawfully take a specific action or perform a specific duty prescribed for the City Clerk pursuant to this Ordinance.

Section 8. The Mayor and the Chief Financial Officer may each designate another to act as their respective proxy and, as applicable, to affix their respective signatures to the Note and any Funding Note whether in temporary or definitive form, and any other instrument, certificate or document required to be signed by the Mayor or the Chief Financial Officer

pursuant to this Ordinance and any instrument, certificate or document required thereby. In such case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor and the Chief Financial Officer, respectively. A written signature of the Mayor or of the Chief Financial Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with the signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed in the office of the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the Chief Financial Officer is so affixed to an instrument, certificate or document at the direction of the Chief Financial Officer, the same, in all respects, shall be as binding on the City as if signed by the Chief Financial Officer in person.

Section 9. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

Section 10. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 11. This ordinance shall be effective upon its passage and approval.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

SANCHEZ DANIELS & HOFFMAN LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____

OR

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 333 W. Wacker Drive, Suite 500

Chicago, IL 60606

C. Telephone: (312) 641-1555 Fax: (312) 641-3004 Email: msanchez@sanchezdh.com

D. Name of contact person: Manuel Sanchez

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

City of Chicago - Michael Reese - Revised 2nd Amendment to Loan Agreement and 2nd Amended and Restated Promissory Note

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|---|
| <input type="checkbox"/> Person | <input type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input checked="" type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.

NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Manuel Sanchez	Founder and Managing Partner
Timothy V. Hoffman	Partner

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Manuel Sanchez,	333 W. Wacker, Suite 500, Chicago, IL 60606	65 Percent
Timothy V. Hoffman	(same address as above)	35 Percent

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
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(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. **NOTE:** If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

 ^x 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

SANCHEZ DANIELS & HOFFMAN LLP

(Print or type name of Disclosing Party)

By: Manuel Sanchez
(Sign here)

Manuel Sanchez

(Print or type name of person signing)

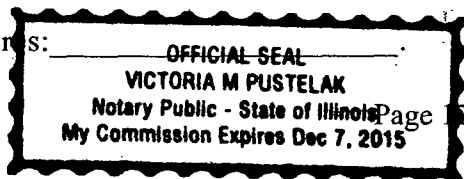
Founder and Managing Partner

(Print or type title of person signing)

Signed and sworn to before me on (date) February 7, 2012,
at COOK County, IL (state).

Victoria M. Pustelak Notary Public.

Commission expires:



**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.
