



City of Chicago

Office of the City Clerk

Document Tracking Sheet



O2015-4345

Meeting Date:	5/20/2015
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Redevelopment agreement with Maple Jack, LLC and associated provision of tax credits
Committee(s) Assignment:	Committee on Finance





CHICAGO June 17, 2015

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

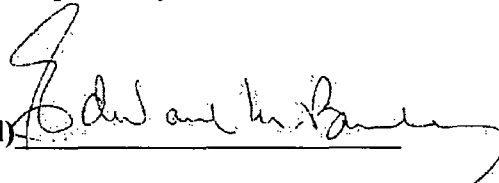
An ordinance authorizing the Commissioner of the Department of Planning and Development to enter into and execute a Redevelopment Agreement with Maple Jack, LLC.

O2015-4345

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith

This recommendation was concurred in by _____ (a viva voce vote of members of the committee with _____ dissenting vote(s).

Respectfully submitted

(signed) 

Chairman



Document No. _____

**REPORT OF THE COMMITTEE ON FINANCE
TO THE CITY COUNCIL
CITY OF CHICAGO**

FIN



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

May 20, 2015

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

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the execution of a Redevelopment Agreement with Maple Jack, LLC and associated provision of tax credits.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "**City**"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe and sanitary rental housing available to persons of low and moderate income; and

WHEREAS, the City has determined that the continuance of a shortage of affordable rental housing is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, pursuant to an ordinance adopted by the City Council of the City (the "**City Council**") on May 17, 2000, and published at pages 30775 through 30925 in the Journal of Proceedings of the City Council (the "**Journal**") of such date, a certain redevelopment plan and project (the "**Original Redevelopment Plan**") for the Midwest Redevelopment Project Area (the "**Redevelopment Area**") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "**Act**"); and

WHEREAS, the Original Redevelopment Plan was amended by an ordinance adopted on May 9, 2012 and published at pages 25884 through 26069 of the Journal of Proceedings of the City Council of the City for said date (the "**First Amendment**"); and

WHEREAS, the Original Redevelopment Plan and First Amendment are together referred to hereinafter as the "**Redevelopment Plan**"; and

WHEREAS, pursuant to an ordinance adopted by the City Council on May 17, 2000, and published at pages 30926 through 30939 in the Journal of such date, the Redevelopment Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance (the "**TIF Ordinance**") adopted by the City Council on May 17, 2000, and published at pages 30940 through 30953 in the Journal of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain redevelopment project costs (as defined in the Act) in the Redevelopment Area incurred pursuant to the Redevelopment Plan; and

WHEREAS, Maple Jack, LLC, an Illinois limited liability company (the "**Developer**"), the managing member of which is Maple Jack Manager, LLC, an Illinois limited liability company, plans to lease from the Chicago Housing Authority property located in the City bounded by Jackson Boulevard on the north, Maplewood Street (previously vacated but newly reconstructed) on the east, Van Buren Street on the south and Rockwell Street (vacated) on the west, as legally described on Exhibit A attached hereto and made a part hereof (the "**Property**"); and

WHEREAS, by this ordinance (the "**Ordinance**"), the City Council has determined that it is necessary and in the best interest of the City to provide certain financing to the Developer to enable it to pay or reimburse a portion of the costs of a multifamily housing project to be constructed on the Property and which will consist of approximately 76 rental units, including 55 affordable units and 21 unrestricted units, a community center and related common areas within seven buildings (the "**Project**"); and

WHEREAS, the Project is necessary for the redevelopment of the Redevelopment Area; and

WHEREAS, the Developer will be obligated to undertake the Project in accordance with the terms and conditions of a proposed redevelopment agreement to be executed by the Developer, Foresight Affordable Housing-City Gardens, LLC, a New Jersey limited liability company and a related, affiliated entity of the Developer ("**Foresight**"), and the City, with such Project to be financed in part by certain pledged incremental taxes deposited from time to time in the Special Tax Allocation Fund for the Redevelopment Area (as defined in the TIF Ordinance) pursuant to Section 5/11-74.4-8(b) of the Act; and

WHEREAS, the City has established the Community Development Commission (the "**Commission**") to, among other things, designate redevelopment areas and approve redevelopment plans, and recommend the sale of parcels located in redevelopment areas, subject to the approval of the City Council; and

WHEREAS, by the Resolution No. 14-CDC-48 adopted on December 9, 2014 (the "**Resolution**"), the Commission has recommended that the Developer be designated the developer for the Project and that the Commissioner of the Department of Planning and Development ("**DPD**") be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer and Foresight, the form of which is attached as **Exhibit B** hereto and made a part hereof (the "**Redevelopment Agreement**"); **now, therefore,**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO, AS FOLLOWS:

1. **Incorporation of Recitals.** The recitals contained in the preambles to this Ordinance are hereby incorporated into this Ordinance by this reference.

2. **Developer Designation.** The Developer and/or Foresight is hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.

3. **Redevelopment Agreement.** The Commissioner of DPD (the "**Commissioner**") or a designee of the Commissioner is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver the Redevelopment Agreement among the City, the Developer and Foresight, and such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement.

4. **Affordable Housing.** Section 2-45-110 of the Municipal Code of Chicago (the "**Municipal Code**") shall not apply to the Project or the Property.

5. **Severability.** 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 remaining provisions of this Ordinance.

6. **Inconsistent Provisions.** All ordinances, resolutions, motions or orders in conflict with this Ordinance are hereby repealed to the extent of such conflict.

7. **No Impairment.** All ordinances, resolutions, motions or orders in conflict with this Ordinance are hereby repealed to the extent of such conflict. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the security for or payment of the instruments authorized by this Ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for violation of any provision of the Municipal Code.

8. **Effective Date.** This Ordinance shall be in full force and effect immediately upon its passage and approval.

EXHIBIT A

PROPERTY

LEGAL DESCRIPTION

(Subject to Final Title and Survey)

LOTS 16 TO 34, BOTH INCLUSIVE, IN CUNNINGHAM AND LADD'S SUBDIVISION OF LOTS 3, 4 AND 5 IN BLOCK 6 IN ROCKWELL'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN; TOGETHER WITH THE VACATED ALLEYS NORTH OF AND ADJOINING LOT 29 AND SOUTH OF AND ADJOINING LOT 21 IN SAID BLOCK, ALL IN COOK COUNTY, ILLINOIS.

(PIN NUMBER: 16-13-218-003, as to a portion of the land)

AND

LOTS 1 TO 21, BOTH INCLUSIVE, IN BAILEY AND BARD'S SUBDIVISION OF LOTS 1 AND 2 OF BLOCK 6 OF ROCKWELL'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN; TOGETHER WITH THE VACATED ALLEYS NORTH OF AND ADJOINING LOT 7, SOUTH OF AND ADJOINING LOT 15 AND EAST OF AND ADJOINING LOTS 7 THROUGH 15 IN SAID BLOCK, ALL IN COOK COUNTY, ILLINOIS.

(PIN NUMBER: 16-13-218-001, as to a portion of the land)

EXHIBIT B

Redevelopment Agreement

See attached pages.

This agreement was prepared by and after recording return to:

Keith A. May, Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

CITY GARDENS REDEVELOPMENT AGREEMENT

This City Gardens Redevelopment Agreement (this "**Agreement**") is made on this ___ day of _____, 2015, by and among the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Planning and Development ("**DPD**"), Maple Jack, LLC, an Illinois limited liability company (the "**Developer**"), and Foresight Affordable Housing - City Gardens, L.L.C., a New Jersey limited liability company ("**Foresight**"). The Developer and Foresight may collectively be referred to hereinafter as the "Developer Parties."

RECITALS

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "**State**"), the City has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals.

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "**Act**"), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "**City Council**") adopted ordinances on May 17, 2000, published at pages 30775 through 30953 of the Journal of Proceedings of the City Council of the City for said date: (1) approving a redevelopment plan (the "**Original Redevelopment Plan**") for the Midwest Redevelopment Project Area (the "**Area**"); (2) designating the Area as a Redevelopment Project Area pursuant to the Act; and (3) adopting tax increment allocation financing for the Area (the "**TIF Adoption Ordinance**"). The Original Redevelopment Plan was amended by an ordinance adopted May 9, 2012 and published at pages 25884 through 26069 of the Journal of Proceedings of the City Council of the City (the "**First Amendment**") for said date. The Original Redevelopment Plan and First Amendment are together referred to hereinafter as the "**Redevelopment Plan.**" Items(1)-(3) above, as item (1) was amended by the First Amendment, are collectively referred to herein as the "**TIF Ordinances.**" The

redevelopment project area referred to above (the “Redevelopment Area”) is legally described in **Exhibit A** hereto.

D. The Project: Pursuant to the terms of the Ground Lease (as defined below), the Developer has agreed to lease from the Chicago Housing Authority (“CHA”) for a period of ninety-nine (99) years certain property located within the Redevelopment Area generally bounded by Jackson Boulevard on the north, Maplewood Street (previously vacated but newly reconstructed) on the east, Van Buren Street on the south and Rockwell Street (vacated) on the west, Chicago, Illinois and legally described on **Exhibit B** hereto (the “Property”), and, within the time frames set forth in **Section 3.01** hereof, shall commence and complete the construction of seven buildings on the Property, which will comprise a multifamily housing project consisting of 25 CHA replacement units, 30 affordable units and 21 market-rate units, a community center and common areas (the “Facility”). The Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on **Exhibit C**) are collectively referred to herein as the “Project.” It is anticipated that the Project will create 80-120 temporary construction jobs and 2.5 permanent jobs. The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the Redevelopment Plan attached hereto as **Exhibit D**.

F. City Financing: The City agrees to use, in the amounts set forth in **Section 4.03** hereof, Available Incremental Taxes (as defined below), to pay for or reimburse any of the Developer Parties for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement.

In addition, as described in **Section 8.05** hereof, the City may, in its discretion, issue tax increment allocation bonds (“TIF Bonds”) secured by Incremental Taxes (as defined herein) pursuant to a TIF bond ordinance (the “TIF Bond Ordinance”), the proceeds of which (the “TIF Bond Proceeds”) may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Available Incremental Taxes, or in order to reimburse the City for the costs of TIF-Funded Improvements; provided, however, that any such amendments shall not have a material adverse effect on the Developer Parties or the Project; provided, further, that the proceeds of TIF Bonds issued on a tax-exempt basis cannot be used as a source of City Funds or to repay the City Funds.

Now, therefore, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. RECITALS

The foregoing recitals are hereby incorporated into this agreement by reference.

SECTION 2. DEFINITIONS

For purposes of this Agreement, in addition to the terms defined in the foregoing recitals, the following terms shall have the meanings set forth below:

“Annual Compliance Report” shall mean a signed report from the Developer to the City (a) itemizing each of the Developer’s obligations under the Agreement during the preceding calendar year, (b) certifying the Developer’s compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer is not in default with respect to any provision of the Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) delivery of Financial Statements and unaudited financial statements (Section 8.13); (2) delivery of updated insurance certificates, if applicable (Section 8.14); (3) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (4) compliance with all other executory provisions of the Agreement.

“Act” shall have the meaning set forth in the Recitals hereof.

“Affiliate” shall mean any person or entity directly or indirectly controlling, controlled by or under common control with the Developer Parties.

“Available Incremental Taxes” shall mean an amount equal to the Incremental Taxes deposited in the TIF Fund attributable to the taxes levied on the Redevelopment Area as of the date any payment is made under this Agreement to any of the Developer Parties and not pledged to the following prior obligations in the Redevelopment Area:

OBLIGATION

Streetscape – Western Avenue, Van Buren to Monroe

Heritage Homes RDA

Liberty Square Apartments RDA

Sinai Hospital RDA

Modern Schools Bonds Debt Service:

Raby Horticultural

Westinghouse

DePriest

Austin

Collins

Intergovernmental Agreements:

Park District: Garfield Park Conservatory

Park District: Garfield Park Gold Dome

Park District: Douglas Park

CPS: Collins

CPS: Dodge

CPS: Penn

CPS: Faraday

CPS: Jensen

CPS: Ericson

“Change Order” shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 3.03, Section 3.04 and Section 3.05, respectively.

"City Council" shall have the meaning set forth in the Recitals hereof.

"City Funds" shall mean the funds described in **Section 4.03(b)** hereof.

"Closing Date" shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

"Construction Contract" shall mean that certain contract entered into between the Developer, Foresight and the General Contractor providing for construction of the Project.

"Corporation Counsel" shall mean the City's Office of Corporation Counsel.

"Employer(s)" shall have the meaning set forth in **Section 10** hereof.

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called **"Superfund"** or **"Superlien"** law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago, including but not limited to the Municipal Code of Chicago, Sections 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560.

"Equity" shall mean funds of the any of the Developer Parties (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount set forth in **Section 4.01** hereof, which amount may be increased pursuant to **Section 4.06** (Cost Overruns) or **Section 4.03(b)**.

"Escrow" shall mean the construction escrow established pursuant to the Escrow Agreement.

"Escrow Agreement" shall mean the Escrow Agreement establishing a construction escrow, entered into by the Title Company (or an affiliate of the Title Company), one or more of the Developer Parties, the City, and the Developer's lender(s).

"Event of Default" shall have the meaning set forth in **Section 15** hereof.

"Facility" shall have the meaning set forth in the Recitals hereof.

"Final Completion Certificate" shall mean the Final Completion Certificate described in **Section 7.01** hereof.

“Financial Statements” shall mean complete audited financial statements of the Developer prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods.

“General Contractor” shall mean the general contractor(s) hired by the one or more of the Developer Parties pursuant to **Section 6.01**.

“Ground Lease” shall mean the Ground Lease Agreement dated as of _____, 20____ by and between the CHA, as Landlord, and the Developer, as Tenant.

“Hazardous Materials” shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

“HUD” shall mean the United States Department of Housing and Urban Development.

“Incremental Taxes” shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the TIF Fund established pursuant to the TIF Adoption Ordinance to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

“Indemnitees” has the meaning defined in **Section 13.01**.

“Investor Member” shall mean USA City Gardens LLC, a Delaware limited liability company.

“Lender Financing” shall mean funds borrowed by the Developer from lenders and irrevocably available to pay for Costs of the Project, in the amount set forth in **Section 4.01** hereof.

“LISC” shall mean Local Initiatives Support Corporation.

“MBE(s)” has the meaning defined in **Section 10.03**.

“MBE/WBE Budget” shall mean the budget attached hereto as **Exhibit H-2**, as described in **Section 10.03**.

“MBE/WBE Program” has the meaning defined in **Section 10.03**.

“Municipal Code” shall mean the Municipal Code of the City of Chicago.

“Non-Governmental Charges” shall mean all non-governmental charges, liens, claims, or encumbrances relating to the Developer Parties, the Property or the Project.

“Permitted Liens” shall mean those liens and encumbrances against the Property and/or the Project set forth on **Exhibit G** hereto.

Plans and Specifications” shall mean final construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

Prior Expenditure(s)” shall have the meaning set forth in **Section 4.05(a)** hereof.

Project” shall have the meaning set forth in the Recitals hereof.

Project Budget” shall mean the budget attached hereto as **Exhibit H-1**, showing the total cost of the Project by line item, furnished by the Developer to DPD, in accordance with **Section 3.03** hereof.

Property” shall have the meaning set forth in the Recitals hereof.

Redevelopment Plan” shall have the meaning set forth in the Recitals hereof.

Redevelopment Project Costs” shall mean redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget set forth in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

Requisition Form” shall mean the document, in the form attached hereto as **Exhibit K**, to be delivered by the Developer to DPD pursuant to **Section 4.04** of this Agreement.

Scope Drawings” shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project.

Substantial Completion Certificate” shall mean the Substantial Completion Certificate described in **Section 7.01** hereof.

Survey” shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM and title survey of the Property dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

Term of the Agreement” shall mean the period of time commencing on the Closing Date and ending on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2023).

TIF Adoption Ordinance” shall have the meaning set forth in the Recitals hereof.

TIF Bonds” shall have the meaning set forth in the Recitals hereof.

TIF Bond Ordinance” shall have the meaning set forth in the Recitals hereof.

"TIF Bond Proceeds" shall have the meaning set forth in the Recitals hereof.

"TIF Fund" shall mean the special tax allocation fund created by the City pursuant to the TIF Adoption Ordinance in connection with the Area into which the Incremental Taxes will be deposited.

"TIF-Funded Improvements" shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. **Exhibit C** lists the TIF-Funded Improvements for the Project.

"TIF Ordinances" shall have the meaning set forth in the Recitals hereof.

"Title Company" shall mean Greater Illinois Title Company.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property issued by the Title Company.

"WARN Act" shall mean the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

"WBE(s)" has the meaning defined in **Section 10.03**.

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, the Developer will: (i) begin redevelopment construction no later than six (6) months after the Closing Date, and (ii) complete redevelopment construction no later than thirty (30) months of the commencement of construction, subject to Section 18.17 (Force Majeure) and delays arising due to the exercise of the extended cure rights of a Lender or investor limited partner under Section 15.03(b).

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to DPD and DPD has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DPD as a Change Order pursuant to **Section 3.04** hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in the approximate amount of not less than \$28,743,384. The Developer hereby certifies to the City that together with the City Funds (a) it has Lender Financing and Equity in an amount sufficient to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall

promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to **Section 3.04** hereof.

3.04 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the Developer to DPD concurrently with the progress reports described in **Section 3.07** hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to DPD for DPD's prior written approval: (a) a reduction in the square footage of the Facility; (b) a change in the use of the Property; (c) a delay of more than three months in the completion of the Project; or (d) all Change Orders increasing or decreasing any line item in the Project Budget. The Developer shall not authorize or permit the performance of any work relating to any such Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of DPD's written approval (to the extent required in this Section). The Construction Contract, and each contract between one or more of the Developer Parties and any contractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer Parties.

3.05 DPD Approval. Any approval granted by DPD of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by DPD pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

3.06 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of **Section 5.03** (Other Governmental Approvals) hereof. The Developer shall not commence construction of the Project until the Developer has obtained all necessary permits and approvals (including but not limited to DPD's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required hereunder.

3.07 Progress Reports and Survey Updates. The Developer shall provide DPD with written quarterly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DPD's written approval pursuant to **Section 3.04**). The Developer shall provide three (3) copies of an updated Survey to DPD upon the request of DPD or any lender providing Lender Financing, reflecting improvements made to the Property.

3.08 Inspecting Agent or Architect. An inspecting agent or architect which may be a lender's (providing Lender Financing) architect or agent shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Project hereunder.

3.09 Barricades. Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and

regulations. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.10 Signs and Public Relations. The Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer Parties, the Property and the Project in the City's promotional literature and communications.

3.11 Utility Connections. The Developer may connect all on-site water, sanitary, storm and sewer lines constructed on the Property to City utility lines existing on or near the perimeter of the Property, provided the Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related thereto.

3.12 Permit Fees. In connection with the Project, the Developer shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City of Chicago and are of general applicability to other property within the City of Chicago.

3.13 Environmental Features. The Project will incorporate green initiatives such as storm water management through the installation of rain gardens to reduce storm water runoff, reduce exterior heat islands through the installation of Energy Star labeled roofing materials, and provide greater insulation and highly efficient energy systems.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$28,743,384, to be applied in the manner stated in the Project Budget and funded from sources identified in **Exhibit H-1.**

4.02 Developer Funds. Equity, the City Funds and Lender Financing will be used to pay all Project costs, including but not limited to costs of TIF-Funded Improvements.

4.03 City Funds.

(a) Uses of City Funds.

City Funds may only be used to pay directly or reimburse Foresight and/or the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. **Exhibit C** sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to **Sections 4.03(b)**), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost. Foresight shall be required to loan or contribute any City Funds paid to Foresight to the Developer to reimburse the Developer for the costs of TIF-Funded Improvements or directly pay for the costs of the TIF-Funded Improvements.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this **Section 4.03** and **Section 5** hereof, the City hereby agrees to provide City funds (the "City Funds") from the sources and in the amounts described directly below to pay for or reimburse any of the Developer Parties for the costs of the TIF-Funded Improvements:

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Available Incremental Taxes and/or TIF Bond proceeds	\$3,150,000

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed \$3,150,000; and provided further, that the \$3,150,000 to be derived from Available Incremental Taxes and/or TIF Bond proceeds, if any, shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as the amount of the Available Incremental Taxes deposited into the TIF Fund shall be sufficient to pay for such costs. The City Funds shall be disbursed in four (4) installments. The first installment of City Funds in the amount of \$1,039,500 shall be paid upon 33% construction completion. The second installment in the amount of \$1,039,500 shall be paid upon 67% construction completion. The third installment in the amount of \$535,500 shall be paid upon the issuance of the Substantial Completion Certificate. The final installment in the maximum amount of \$535,500 shall be paid upon the issuance of the Final Completion Certificate.

The Developer Parties acknowledge and agree that the City's obligation to pay for TIF-Funded Improvements up to a maximum of \$3,150,000 is contingent upon the fulfillment of the foregoing conditions. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by the Developer Parties pursuant to **Section 4.01** hereof shall increase proportionately.

In the event that the final certified Project costs are less than the Project Budget, the City and CHA shall share the savings on a pro-rata basis. The City's share of the savings shall be deducted from the final installment paid to the Developer after the issuance of the Final Completion Certificate.

4.04 Construction Escrow; Requisition Form. The City and Developer Parties hereby agree to enter into the Escrow Agreement. All disbursements of Project funds during construction shall be made through the funding of draw requests with respect thereto pursuant to the Escrow Agreement and this Agreement. The City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement, and DPD must approve disbursements of the City Funds from the Escrow. City Funds in the first, second and third installment amounts stated in **Section 4.03(b)** shall be paid into the Escrow only after approval of the applicable draw request by the City. The Developer shall submit a Requisition Form prior to each disbursement of City Funds. The Developer shall meet with DPD at the request of DPD to discuss the Requisition Form(s) previously delivered. If Lender Financing is provided to bridge finance any of the City Funds, then the Developer Parties may direct the final installment amount payable pursuant to Section 4.03(b) to be paid by the City in accordance with this Agreement to an account established by the Developer with the Lender providing the Lender Financing until the full repayment of the Lender Financing. Developer Parties and DPD agree that Bank of America N.A. may provide a

loan to the Developer to bridge the City Funds and that accordingly the Developer Parties hereby direct that City Funds amounts payable pursuant to Section 4.03(a) shall be wired to the account established by Developer at Bank of America N.A. The wiring instructions for such account shall be provided to the City by the Developer.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by any of the Developer Parties with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "**Prior Expenditures**"). Exhibit I hereto sets forth the prior expenditures approved by DPD as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to any of the Developer Parties by the City with City Funds but may be eligible for reimbursement through the Lender Financing or Equity identified in **Section 4.01** hereof.

(b) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed \$25,000 for any single transfer or \$100,000 in the aggregate, may be made without the prior written consent of DPD.

4.06 Cost Overruns. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to **Section 4.03** hereof, or if the cost of completing the Project exceeds the Project Budget, the Developer shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and of completing the Project.

4.07 Preconditions of Disbursement. Prior to each disbursement of City Funds hereunder, one or more of the Developer Parties shall submit documentation regarding the applicable expenditures to DPD which shall be satisfactory to DPD in its sole discretion. Delivery by one or more of the Developer Parties to DPD of any request for disbursement of City Funds hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

(a) the total amount of the Requisition Form represents the actual cost of the actual amount payable to (or paid to) the contractors who have performed work on the Project, and/or their payees, and/or (ii) the architect for the inspections performed in monitoring the construction of the Project;

(b) all amounts shown as previous payments on the current Requisition Form have been paid to the parties entitled to such payment;

(c) the Developer has approved all work and materials for the current Requisition Form, and such work and materials conform to the Plans and Specifications;

(d) the representations and warranties contained in this Redevelopment Agreement are true and correct and the Developer Parties are in compliance with all covenants contained herein;

(e) none of the Developer Parties have received notice and have no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens;

(f) no Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred; and

(g) the Project is In Balance. The Project shall be deemed to be in balance ("In Balance") only if the total of the Available Project Funds (as defined hereinafter) equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. "Available Project Funds" as used herein shall mean: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts deposited by any of the Developer Parties pursuant to this Agreement. The Developer hereby agrees that, if the Project is not In Balance, the Developer shall, within 10 days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

The City shall have the right, in its discretion, to require the Developer Parties to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Developer Parties. In addition, the Developer Parties shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements set forth in the TIF Bond Ordinance, if any, the TIF Bonds, if any, the TIF Ordinances, this Agreement and/or the Escrow Agreement.

Notwithstanding any other provision in this Agreement, the City shall not terminate this Agreement or suspend disbursement of the City Funds upon the occurrence of an Event of Default unless foreclosure proceedings have been commenced under any mortgage securing any Lender Financing or a deed in lieu of such foreclosure has been executed and delivered and provided that no lender providing Lender Financing or Investor Member has cured the Event of Default within the curative time period provided under **Section 15.03**.

4.08 Sale or Transfer of the Property or Project by Developer.

(a) Prior to the Date of Issuance of the Final Completion Certificate. Developer must obtain the prior approval of the City for any sale or transfer of any part of the Property or the Project prior to the issuance of the Final Completion Certificate. Such approval by the City will be subject to the reasonable discretion requirement stated in **Section 18.14**.

(b) After the Date of Issuance of the Final Completion Certificate. After the date of the Final Completion Certificate, Developer need not obtain prior approval for any sale or transfer of any part of the Property or the Project. Developer must, however, notify the City not

less than 60 days before any closing of sale of Developer's intention to sell any part of the Property or the Project. Developer must provide the City with true and correct copies of any contract for sale and related documents as part of such notice.

(c) **Permitted Transfers.** Notwithstanding anything herein to the contrary, City will permit (i) Developer's investor member to transfer its investor member interest to any person at any time and, (ii) City will permit investor member to remove Maple Jack Manager, LLC (the "Manager"), the manager of Developer, in accordance with Developer's operating agreement, provided the substitute managing member is acceptable to City in its reasonable discretion, (iii) Manager's pledge to Bank of America N.A. all of Manager's rights, title and interest in and to Developer and under Developer's operating agreement as collateral for Developer's obligations under the loan(s) made or to be made by Bank of America, N.A. to Developer, and Bank of America, N.A.'s enforcement thereof, and (iv) managing member to pledge to LISC all of managing member's rights, title and interest in and to the Developer and under the Developer's operating agreement as collateral for the Developer's obligations under the loans made or to be made by LISC to Developer. Developer must, however, notify the City not less than 60 days after any transfer is made.

4.09 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer Parties' compliance with the provisions of this Agreement. The City Funds disbursed are subject to being reimbursed upon the Developer Parties' noncompliance with the provisions of this Agreement.

SECTION 5. CONDITIONS PRECEDENT

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date:

5.01 Project Budget. The Developer has submitted to DPD, and DPD has approved, a Project Budget in accordance with the provisions of **Section 3.03** hereof.

5.02 Scope Drawings and Plans and Specifications. The Developer has submitted to DPD, and DPD has approved, the Scope Drawings and Plans and Specifications in accordance with the provisions of **Section 3.02** hereof.

5.03 Other Governmental Approvals. The Developer has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to DPD.

5.04 Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in **Section 4.01** hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity and other sources set forth in **Exhibit H-1**) to complete the Project. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a subordination agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is

to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

5.05 Acquisition and Title. On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the Developer as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on **Exhibit G** hereto and evidences the recording of this Agreement pursuant to the provisions of **Section 8.18** hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including, but not limited to: an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. The Developer has provided to DPD on or prior to the Closing Date certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches as follows:

Secretary of State	UCC search
Secretary of State	Federal tax search
Cook County Recorder	UCC search
Cook County Recorder	Fixtures search
Cook County Recorder	Federal tax search
Cook County Recorder	State tax search
Cook County Recorder	Memoranda of judgments search
U.S. District Court	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

showing no liens against the Developer, Foresight, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

5.07 Surveys. The Developer has furnished the City with three (3) copies of the Survey.

5.08 Insurance. The Developer, at its own expense, has insured the Property in accordance with **Section 12** hereof, and has delivered certificates required pursuant to **Section 12** hereof evidencing the required coverages to DPD.

5.09 Opinion of the Developer Parties' Counsel. On the Closing Date, the Developer Parties have furnished the City with an opinion of counsel, substantially in the form attached hereto as **Exhibit J**, with such changes as required by or acceptable to Corporation Counsel. If any of the Developer Parties have engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in **Exhibit J** hereto, such opinions may be obtained by the Developer Parties from their general corporate counsel.

5.10 Evidence of Prior Expenditures. One or more of the Developer Parties have provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures in accordance with the provisions of **Section 4.05(a)** hereof.

5.11 Financial Statements. The Developer shall provide Financial Statements to DPD for its most recent fiscal year, and audited or unaudited interim financial statements. Foresight shall provide to DPD the Form 990 filed with the Internal Revenue Service for the most recent tax year.

5.12 Documentation. The Developer has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters including the reports described in **Section 8.06.**

5.13 Environmental. The Developer has provided DPD with copies of that certain phase I environmental audit completed with respect to the Property and any phase II environmental audit with respect to the Property required by the City. The Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its certificate of organization containing the original certification of the Secretary of State of Illinois; the Developer's certificate of existence from the Secretary of State of Illinois; a certified copy of the Developer's operating agreement; an incumbency certificate for the Developer; certificate of good standing for Foresight of the Secretary of State; copies of the Foresight's articles of incorporation containing the original certification of the Secretary of State, secretary's certificate for Foresight. The Developer and Foresight have provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. The Developer Parties have provided to Corporation Counsel and DPD, a description of all pending or threatened litigation or administrative proceedings involving the Developer Parties, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

5.16 Ground Lease and Other Agreements. Complete copies of the Ground Lease and all other written agreements, if any, setting forth the parties' understandings relating to the Developer's occupancy of the Property and any financial agreements between the parties in any way relating to the Property or the Ground Lease, certified by the Developer, shall have been delivered to the City.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for Contractors. The General Contractor shall be Linn-Mathes, Inc., or such other contractor acceptable to DPD. The Developer Parties shall submit copies of the Construction Contract to DPD in accordance with **Section 6.02** below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer Parties shall ensure that no contractors shall begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

6.02 Construction Contract. Prior to the execution thereof, the Developer Parties shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor

selected to handle the Project in accordance with **Section 6.01** above, for DPD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof.

6.03 Performance and Payment Bonds. Prior to the commencement of any portion of the Project which includes work on the public way, the Developer Parties shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better.

6.04 Employment Opportunity. The Developer Parties shall contractually obligate and cause the General Contractor, and the General Contractor shall cause each of its subcontractors, to agree to the provisions of **Section 10** hereof.

6.05 Multi-Project Labor Agreement. The Developer Parties shall cause the General Contractor to comply with that certain Settlement Agreement dated November 3, 2011, by and among the City, Chicago Regional Council of Carpenters, the Metropolitan Pier and Exposition Authority, the Public Building Commission of the City of Chicago, and the State of Illinois, because the Project budget is in excess of \$25,000,000, and, therefore, is subject to the provisions of that certain City of Chicago Multi-Project Labor Agreement (the "MPLA") dated February 9, 2011, by and among the City and the labor organizations comprising the Chicago & Cook County Building & Construction Trades Council. The Developer Parties shall cause the General Contractor to comply with the MPLA to the fullest extent legally permissible without violating other requirements applicable to the construction of the Project, including, without limitation, the requirements of the MBE/WBE Program, the City resident employment provisions, Housing Act Section 3, Davis-Bacon Act, the Contract Work Hours and Safety Standards Act and the Labor Standards Deposit Agreement. At the direction of DPD, affidavits and other supporting documentation shall be required of the Developer Parties, the General Contractor and the subcontractors to verify or clarify compliance with the MPLA.

6.06 Other Provisions. In addition to the requirements of this **Section 6**, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to **Section 3.04** (Change Orders), **Section 6.05** (Multi-Project Labor Agreement), **Section 8.08** (Prevailing Wage), **Section 10.01(e)** (Employment Opportunity), **Section 10.02** (City Resident Employment Requirement), **Section 10.03** (MBE/WBE Requirements, as applicable), **Section 12** (Insurance) and **Section 14.01** (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION

7.01 Certificate of Completion of Construction. (a) Upon each of the substantial completion and the final completion of the construction of the Project in accordance with the terms of this Agreement, and upon the Developer Parties' written request, DPD shall issue to the Developer Parties either the Substantial Completion Certificate or the Final Completion Certificate, as applicable. The Final Completion Certificate shall be in recordable form certifying that the Developer Parties have fulfilled their obligation to complete the Project in accordance with the terms of this Agreement. DPD shall respond to the Developer Parties' written request for either certificate within forty-five (45) days by issuing either the requested certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed (or substantially completed in the case of the Substantial Completion Certificate), and the measures which must be taken by the Developer Parties in order to obtain the requested certificate. The Developer Parties may resubmit a written request for either certificate upon completion of such measures.

(b) The "**Substantial Completion Certificate**" will not be issued until the following requirements have been met:

- (i) The Developer Parties have obtained a partial or temporary Certificate of Occupancy that covers all 76 residential units and the community center;
- (ii) The 76 residential units and the community center have been constructed according to the Plans and Specifications;
- (iii) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default; and
- (iv) Developer has incurred costs for TIF-Funded Improvements in an amount equal to or higher than \$2,614,500.

(c) The "**Final Certificate of Completion**" will not be issued until the following requirements have been met:

- (i) The City's Monitoring and Compliance unit has determined in writing that the Developer is in complete compliance with all City requirements (M/WBE, City residency and prevailing wage) as required in this Agreement;
- (ii) The Project, including all 76 residential units, the parking spaces and all related improvements, has been completed;
- (iii) The Developer Parties have received a Certificate of Occupancy from the City or other evidence reasonably acceptable to DPD that the Developer Parties have complied with building permit requirements; and
- (iv) Developer has incurred costs for TIF-Funded Improvements in an amount equal to or higher than \$3,150,000.

7.02 Effect of Issuance of Final Completion Certificate; Continuing Obligations.

The Final Completion Certificate relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer Parties' obligation to complete such activities have been satisfied. After the issuance of a Final Completion Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Final Completion Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at **Sections 8.02, 8.06, 8.18(c) and 8.19** as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Final Completion Certificate; provided, that upon the issuance of a Final Completion Certificate, the covenants set forth in **Section 8.02** shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Final Completion Certificate shall be binding only upon the Developer Parties or a permitted assignee of the Developer Parties who, pursuant to **Section 18.15** of this Agreement, has contracted to take an assignment of the Developer Parties' rights under this Agreement and assume the Developer Parties' liabilities hereunder.

Notwithstanding the foregoing, until the disbursement of the first installment of City Funds, the covenants specifically described at **Sections 8.02, 8.06, 8.18(c) and 8.19** shall not bind any successor by foreclosure or deed in lieu of foreclosure of any mortgage securing Lender Financing unless such transferee accepts an assignment of the Developer's interest hereunder in accordance with **Section 16(c)**.

7.03 Failure to Complete. If the Developer Parties fail to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

(a) the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed pursuant hereto;

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to **Section 4.01**, the Developer Parties shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from the Developer Parties.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DPD shall provide the Developer Parties at the Developer Parties' written request, with a written notice in recordable form stating that the Term of the Agreement has expired.

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER PARTIES.

8.01 General. The Developer Parties represent, warrant and covenant, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, that:

(a) the Developer is an Illinois limited liability company duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required, and Foresight is a New Jersey not-for-profit corporation, duly organized, validly existing, qualified to do business in Illinois, and licensed to do business any other state where, due to the nature of its activities or properties, such qualification or license is required;

(b) the Developer Parties have the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by the Developer Parties of this Agreement has been duly authorized by all necessary corporate action, as applicable, and does not and will not violate its organizational documents, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the any one of the Developer Parties is now a party or by which any one of the Developer Parties is now or may become bound;

(d) Developer shall acquire and shall maintain good, indefeasible and merchantable leasehold title to the Property (and fee simple title to all improvements thereon) pursuant to the Ground Lease free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to **Section 8.18** hereof);

(e) the Developer Parties are now and for the Term of the Agreement shall remain solvent and able to pay their debts as they mature;

(f) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting the Developer Parties which would impair their ability to perform under this Agreement;

(g) the Developer Parties have and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct their business and to construct, complete and operate the Project;

(h) the Developer Parties are not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which any one of the Developer Parties is a party or by which any one of the Developer Parties is bound;

(i) the Financial Statements, when hereafter required to be submitted, will be, complete, correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of the Developer Parties, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of any one of the

Developer Parties since the date of the such Developer Parties most recent Financial Statements;

(j) prior to the issuance of a Final Completion Certificate, the Developer Parties shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business or pursuant to the terms of the Ground Lease; (3) enter into any transaction outside the ordinary course of the Developer Parties' business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity (other than in connection with the financing for the Project); or (5) enter into any transaction that would cause a material and detrimental change to the Developer Parties' financial condition;

(k) the Developer has not incurred, and, prior to the issuance of a Final Completion Certificate, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; and

(l) Developer Parties have not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("**City Contract**") as an inducement for the City to enter into the Agreement or any City Contract with any one of the Developer Parties in violation of Chapter 2-156-120 of the Municipal Code of the City; and

(m) none of the Developer Parties nor any Affiliate of the Developer Parties is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "affiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

8.02 Covenant to Redevelop. Upon DPD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in **Sections 3.02** and **3.03** hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer Parties shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer Parties.

The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Final Completion Certificate with respect thereto.

8.03 Redevelopment Plan. The Developer Parties represent that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan.

8.04 Use of City Funds. City Funds disbursed to any of the Developer Parties shall be used by the Developer Parties solely to pay for (or to reimburse the Developer Parties for their payment for) the TIF-Funded Improvements as provided in this Agreement. If the City pays any of the City Funds to Foresight, Foresight shall be required to loan or contribute the City Funds to the Developer, to reimburse the Developer for the costs of TIF-Funded Improvements or directly pay for the costs of the TIF-Funded Improvements.

8.05 TIF Bonds. The Developer Parties shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) TIF Bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements; provided, however, that any such amendments shall not have a material adverse effect on the Developer Parties or the Project; provided, further, that the proceeds of TIF Bonds issued on a tax-exempt basis cannot be used as a source of City Funds or to repay the City Funds. The Developer Parties shall, at the Developer Parties' expense, cooperate and provide reasonable assistance in connection with the marketing of any such TIF Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

8.06 Employment Opportunity; Progress Reports. The Developer Parties covenant and agree to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor (and the General Contractor shall, in turn, use reasonable efforts to cause its subcontractors) to abide by the terms set forth in **Section 10** hereof. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of **Sections 8.08, 10.02 and 10.03** of this Agreement. Such reports shall be delivered to the City when the Project is 25%, 50%, 70% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which the Developer shall correct any shortfall. It is anticipated that the Project will create 80-120 temporary construction jobs and 2.5 permanent jobs.

8.07 Employment Profile. The Developer Parties shall submit, and contractually obligate and cause the General Contractor (and the General Contractor shall, in turn, use reasonable efforts to cause its subcontractors) to submit, to DPD, from time to time, statements of its employment profile upon DPD's request.

8.08 Prevailing Wage. On account of the HUD HOPE VI Loan which is part of the Lender Financing, the Project is subject to the requirements of the Davis-Bacon Act, 40 U.S.C. Section 276a et seq. Accordingly, pursuant to 820 ILCS 130/11 of the Illinois Prevailing Wage Act (820 ILCS 130/1 et seq.), the requirements of the Illinois Prevailing Wage Act shall not apply to the Project.

8.09 Arms-Length Transactions. Unless DPD has given its prior written consent with respect thereto, no Affiliate of the Developer Parties may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. The Developer Parties shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer Parties and reimbursement to the Developer Parties for such costs using City Funds, or otherwise), upon DPD's request, prior to any such disbursement.

8.10 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, the Developer Parties represent, warrant and covenant that, to the best of their knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer Parties with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Developer Parties' business, the Property or any other property in the Redevelopment Area.

8.11 Disclosure of Interest. The Developer Parties' counsel has no direct or indirect financial ownership interest in the Developer Parties, the Property or any other aspect of the Project.

8.12 Financial Statements. The Developer shall obtain and provide to DPD Financial Statements for the fiscal year ended December 31, 2012 and each December 31st thereafter for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request. Foresight shall provide to DPD its Form 990 filed with the Internal Revenue Service for the tax year ended December 31, 2014 and for each tax year thereafter for the Term of the Agreement.

8.13 Insurance. The Developer, at its own expense, shall comply with all provisions of **Section 12** hereof.

8.14 Non-Governmental Charges.

(a) **Payment of Non-Governmental Charges.** Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other proof satisfactory to DPD, evidencing payment of the Non-Governmental Charge in question.

(b) **Right to Contest.** The Developer has the right, before any delinquency occurs:

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted

and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this **Section 8.14**); or

(ii) at DPD's sole option, to furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charge and all interest and penalties upon the adverse determination of such contest.

8.15 Developer Parties' Liabilities. The Developer Parties shall not enter into any transaction that would materially and adversely affect their ability to perform their obligations hereunder or to repay any material liabilities or perform any material obligations of the Developer Parties to any other person or entity. The Developer Parties shall immediately notify DPD of any and all events or actions which may materially affect the Developer Parties' ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

8.16 Compliance with Laws. To the best of the Developer Parties' knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property. Upon the City's request, the Developer Parties shall provide evidence satisfactory to the City of such compliance.

8.17 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of Cook County, Illinois. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.18 Real Estate Provisions.

(a) **Governmental Charges.**

(i) **Payment of Governmental Charges.** The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon the Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than

the City) relating to the Developer, the Property or the Project including but not limited to real estate taxes.

(ii) Right to Contest. The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. The Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in **Section 8.18(c)** below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

(iii) the Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by the Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

(iv) the Developer shall furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

(b) Developer's Failure To Pay Or Discharge Lien. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the Developer shall advise DPD thereof in writing, at which time DPD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to DPD by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

(c) Real Estate Taxes.

(i) Real Estate Tax Exemption. With respect to the Property or the Project, neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, seek, or authorize any exemption (as such term is used and defined in the Illinois Constitution,

Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect, except any exemption for which DPD has provided its prior written consent.

(ii) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.18(c) are covenants running with the land and this Agreement shall be recorded by the Developer as a memorandum thereof, at the Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions shall be binding upon the Developer Parties and their agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. The Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this Section 8.18(c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of the Developer Parties, their successors or assigns, may waive and terminate the Developer Parties' covenants and agreements set forth in this Section 8.18(c).

8.19 Affordable Housing Covenant. In connection with the City's reservation of low-income housing tax credits for the Project, a Low-Income Housing Tax Credits Regulatory Agreement ("LIHTC Regulatory Agreement") between the City and the Developer, dated as of the date which Developer closes on the Equity and Lender Financing, shall be recorded against the Property and shall impose certain affordability restrictions on the Project as set forth therein. The Developer Parties agree that the provisions of the LIHTC Regulatory Agreement shall govern the terms of Developer's obligation to provide affordable housing. Except as otherwise provided in Section 7.02, the covenants set forth in this Section 8.19 shall run with the land and be binding upon any transferee.

8.20 Survival of Covenants. All warranties, representations, covenants and agreements of the Developer Parties contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of the Developer Parties' execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in Section 7 hereof upon the issuance of a Final Completion Certificate) shall be in effect throughout the Term of the Agreement.

8.21 Annual Compliance Report. Beginning with the issuance of the Final Completion Certificate and continuing throughout the Term of the Agreement, the Developer shall submit to DPD the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates.

8.22 Ground Lease and Sublease Representations, Warranties and Covenants.

The Developer represents, warrants and covenants as follows:

(a) as of the date hereof, the Ground Lease is valid and binding as to the Developer, is in full force and effect, and is either unmodified or modified only by approved Material Amendments and/or amendments that do not constitute Material Amendments;

(b) as of the date hereof, the Developer has performed all of its current obligations under the Ground Lease;

(c) Throughout the Term of the Agreement, the Developer: (i) shall promptly deliver to DPD a copy of written notice of any change in circumstances of which Developer has knowledge that makes the representations and warranties in this Section 8.22 inaccurate; (ii) shall, within 10 days after the occurrence thereof, deliver to DPD a copy of written notice of any change in use of the Facility from the use described in Recital D, and (iii) shall comply with its obligations under the Ground Lease; and

(d) Throughout the Term of the Agreement, the Developer shall not (i) execute or consent to a Material Amendment or (ii) sell, sublease, release, assign or otherwise transfer its interest in the Ground Lease without the prior written consent of DPD, which consent shall be in DPD's sole discretion; provided, however, that DPD's consent shall not be required for any sublease entered into by the Developer or any permitted successor to the Developer under the Ground Lease (including, without limitation, any lender) to the extent such sublease is permitted pursuant to the Ground Lease.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

9.01 General Covenants. The City represents that it has the authority as a home rule unit of local government to execute and deliver this Agreement and to perform its obligations hereunder.

9.02 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 9 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

SECTION 10. DEVELOPER PARTIES' EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. The Developer Parties on behalf of themselves and their successors and assigns, hereby agree, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer Parties operating on the Property (collectively, with the Developer Parties, the "**Employers**" and individually an "**Employer**") to agree, that for the Term of this Agreement with respect to Developer Parties during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "**Human Rights Ordinance**"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-

discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

(b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the Redevelopment Area; and to provide that contracts for work in connection with the construction of the Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Redevelopment Area.

(c) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

(f) Failure to comply with the employment obligations described in this **Section 10.01** shall be a basis for the City to pursue remedies under the provisions of **Section 15.02** hereof.

10.02 City Resident Construction Worker Employment Requirement. The Developer Parties agree for themselves and their successors and assigns, and shall contractually obligate their contractors and subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer Parties, their contractors and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

The Developer Parties may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in

accordance with standards and procedures developed by the Chief Procurement Officer of the City.

"Actual residents of the City" shall mean persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

The Developer Parties, the contractors and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of DPD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

The Developer Parties, the contractors and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DPD, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. The Developer Parties, the General Contractor and each subcontractor shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project.

At the direction of DPD, affidavits and other supporting documentation will be required of the Developer Parties, the contractors and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

Good faith efforts on the part of the Developer Parties, the contractors and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer Parties have failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer Parties to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer Parties, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover

contract performance that may become due to the Developer Parties pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer Parties must surrender damages as provided in this paragraph.

Nothing herein provided shall be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246 " and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement or related documents.

The Developer Parties shall cause or require the provisions of this **Section 10.02** to be included in all construction contracts and subcontracts related to the Project.

10.03. MBE/WBE Commitment. Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE Program"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this **Section 10.03**, during the course of construction of the Project, at least the following percentages of hard construction costs as set forth in the MBE/WBE Budget (as set forth in **Exhibit H-2** hereto) shall be expended for contract participation by minority-owned businesses ("MBEs") and by women-owned businesses ("WBEs") as follows:

- a. at least 24 percent by MBEs;
- b. at least 4 percent by WBEs.

Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer Parties' MBE/WBE commitment may be achieved in part by the Developer Parties' status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer Parties) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer Parties utilizing a MBE or a WBE as a contractor (but only to the extent of any actual work performed on the Project by such contractor), by subcontracting a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer Parties' MBE/WBE commitment as described in this **Section 10.03**.

The Developer Parties shall deliver quarterly reports to DPD during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the Developer Parties or a contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DPD in determining the Developer Parties' compliance with this MBE/WBE commitment. The Developer Parties shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and DPD shall have access to all such records maintained by the Developer Parties, on five Business Days' notice, to allow

the City to review the Developer Parties' compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

Upon the disqualification of any MBE or WBE contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer Parties shall be obligated to discharge or cause to be discharged the disqualified contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this **Section 10.03**, the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.

Any reduction or waiver of the Developer Parties' MBE/WBE commitment as described in this **Section 10.03** shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

Prior to the commencement of the Project, the Developer Parties shall be required to meet with the monitoring staff of DPD with regard to the Developer Parties' compliance with its obligations under this **Section 10.03**. All contractors and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer Parties shall demonstrate to DPD their plan to achieve their obligations under this **Section 10.03**, the sufficiency of which shall be approved by DPD. During the Project, the Developer Parties shall submit the documentation required by this **Section 10.03** to the monitoring staff of DPD. Failure to submit such documentation on a timely basis, or a determination by DPD, upon analysis of the documentation, that the Developer Parties are not complying with their obligations under this **Section 10.03**, shall, upon the delivery of written notice to the Developer Parties, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided hereunder, the City may: (1) issue a written demand to the Developer Parties to halt the Project, (2) withhold any further payments to, or on behalf of, the Developer Parties, or (3) seek any other remedies against the Developer Parties available at law or in equity.

The Developer Parties will include the foregoing provisions in every contract entered into in connection with the Project and every agreement with any Affiliate operating on the Property so that such provision will be binding upon each contractor or Affiliate, as the case may be.

SECTION 11. ENVIRONMENTAL MATTERS

The Developer Parties hereby represent and warrant to the City that the Developer Parties have conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, and the Redevelopment Plan.

Without limiting any other provisions hereof, the Developer Parties agree to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer Parties: (i) the presence of any Hazardous Material on or under, or the escape,

seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which the Developer Parties or any person directly or indirectly controlling, controlled by or under common control with the Developer Parties, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Developer Parties), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer Parties or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

The Developer must provide and maintain, at Developer's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to execution and delivery of this Agreement.

(i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident, illness or disease.

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) All Risk Property

All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(b) Construction. Prior to the construction of any portion of the Project, Developer will cause its architects, contractors, subcontractors, project managers and other parties constructing the Project to procure and maintain the following kinds and amounts of insurance:

(i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than \$ 500,000 each accident, illness or disease.

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Developer must provide cause to be provided with respect to the operations that Contractors perform, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk /Builders Risk

When Developer undertakes any construction, including improvements, betterments, and/or repairs, the Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than \$1,000,000. Coverage must include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance must be maintained in an amount to

insure against any loss whatsoever, and must have limits sufficient to pay for the re-creation and reconstruction of such records.

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, the Developer must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(d) Other Requirements:

The Developer must furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Developer must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Developer is not a waiver by the City of any requirements for the Developer to obtain and maintain the specified coverages. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and/or terminate agreement until proper evidence of insurance is provided.

The insurance must provide for 30 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Developer and Contractors.

The Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Developer in no way limit the Developer's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Developer under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

The Developer must require all contractors and subcontractors to provide the insurance required herein, or Developer may provide the coverages for contractors and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement.

If Developer, any contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Developer Parties agree to indemnify, pay, defend and hold the City, and its elected and appointed officials, employees, agents and Affiliates (individually an "Indemnitee," and collectively the "Indemnitees") harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (and including without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnities shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating or arising out of:

(i) the Developer Parties' failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

(ii) the Developer Parties' or any contractor's failure to pay contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or

(iii) the existence of any material misrepresentation or omission in this Agreement, the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer Parties or any

Affiliate Developer Parties or any agents, employees, contractors or persons acting under the control or at the request of the Developer Parties or any Affiliate of Developer Parties; or

(iv) the Developer Parties' failure to cure any misrepresentation in this Agreement or any other agreement relating hereto;

provided, however, that Developer Parties shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it violates any law or public policy, Developer Parties shall contribute the maximum portion that they are permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this **Section 13.01** shall survive the termination of this Agreement.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. The Developer Parties shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to the Developer Parties' loan statements, if any, General Contractor's and subcontractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer Parties' offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer Parties' expense. The Developer Parties shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer Parties with respect to the Project.

14.02 Inspection Rights. Upon three (3) business days' notice, any authorized representative of the City has access to all portions of the Project and the Property during normal business hours for the Term of the Agreement.

SECTION 15. DEFAULT AND REMEDIES

15.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of **Section 15.03**, shall constitute an "**Event of Default**" by the Developer Parties hereunder:

(a) the failure of the Developer Parties to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer Parties under this Agreement or any related agreement;

(b) the failure of the Developer Parties to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer Parties under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer Parties' business, property, assets, operations or condition, financial or otherwise;

(c) the making or furnishing by the Developer Parties to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;

(e) the commencement of any proceedings in bankruptcy by or against the Developer Parties or for the liquidation or reorganization of the Developer Parties, or alleging that the Developer Parties are insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer Parties' debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer Parties; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within ninety (90) days after the commencement of such proceedings;

(f) the appointment of a receiver or trustee for the Developer Parties, for any substantial part of the Developer Parties' assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer Parties; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within ninety (90) days after the commencement thereof;

(g) the entry of any judgment or order against the Developer Parties which remains unsatisfied or undischarged and in effect for ninety (90) days after such entry without a stay of enforcement or execution;

(h) the occurrence of an event of default under the Lender Financing, which default is not cured within any applicable cure period;

(i) the dissolution of the Developer Parties or the death of any natural person who owns a material interest in the Developer Parties;

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer Parties, or any natural person who owns a material interest in the Developer Parties, which is not dismissed within thirty (30) days, or the indictment of the Developer Parties or any natural person who owns a material interest in the Developer Parties, for any crime (other than a misdemeanor); or

(k) prior to the expiration of the Term of the Agreement, the sale or transfer of a majority of the ownership interests of the Developer Parties without the prior written consent of the City, except that the Developer's investor member may sell its membership interest in the Developer without the prior written consent of the City.

For purposes of Sections 15.01(i) and 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of thirty-three percent (33%) of the Developer's member interests.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds. Additionally, upon the occurrence of an Event of Default in relation to **Section 8.19**, the Developer Parties or Affiliates shall reimburse the City all of the City Funds disbursed to any one of the Developer Parties to date. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to reimbursement of all or part of the City Funds, injunctive relief or the specific performance of the agreements contained herein. After the issuance of the Final Completion Certificate, the City acknowledges and agrees that the City's right to reimbursement of City Funds pursuant to this Section shall be subordinate to the payment in full of any first mortgage indebtedness in favor of Bank of America, N.A.

15.03 Curative Period.

(a) In the event the Developer Parties shall fail to perform a monetary covenant which Developer Parties are required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer Parties have failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer Parties shall fail to perform a non-monetary covenant which the Developer Parties are required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer Parties have failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer Party shall not be deemed to have committed an Event of Default under this Agreement if they have commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

(b) Right to Cure by Lenders and Investors. In the event that an Event of Default occurs under this Agreement, and if, as a result thereof, the City intends to exercise any right or remedy available to it that could result in the termination of this Agreement or the cancellation, suspension, or reduction of any payment due from the City under this Agreement, the City shall send notice of such intended exercise to the parties identified in **Section 17** and to any Lender providing Lender Financing and any Lender providing Lender Financing or the members of the Developer shall have the right (but not the obligation) to cure such an Event of Default under the following conditions:

(i) if the Event of Default is a monetary default, any party entitled to cure such default may cure it within 30 days after the later of: (a) the expiration of the cure period, if any, granted to the Developer with respect to such monetary default; or (b) receipt by the Lenders of such notice from the City; and

(ii) if the Event of Default is of a non-monetary nature, any party entitled to cure such default shall have the right to cure it within 30 days after the later of: (a) the expiration of the cure period, if any, granted to the Developer with respect to such non-monetary default; or (b)

receipt of such notice from the City; provided, however, that if such non-monetary default is not reasonably capable of being cured by the Lenders within such 30-day period, such period shall be extended for such reasonable period of time as may be necessary to cure such default, provided that the party seeking such cure must continue diligently to pursue such cure and, if possession of the Project is necessary to effect such cure, the party seeking such cure must have instituted appropriate legal proceedings to obtain possession.

SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on Exhibit G hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "**Existing Mortgages**." Any mortgage or deed of trust that the Developer Parties may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to herein as a "**New Mortgage**." Any New Mortgage that the Developer Parties may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof with the prior written consent of the City is referred to herein as a "**Permitted Mortgage**." It is hereby agreed by and between the City and the Developer Parties as follows:

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) In the event that any mortgagee shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer Parties for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "the Developer Parties" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of the Developer Parties' interest under this Agreement, such party has no liability under this Agreement for any Event of Default of the Developer Parties which accrued prior to the time such party succeeded to the interest of the Developer Parties under this Agreement, in which case the Developer Parties shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of the Developer Parties' interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to the Developer Parties of a Final Completion Certificate pursuant to **Section 7** hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD.

SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified mail, return receipt requested.

If to the City: City of Chicago
Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, IL 60602
Attention: Commissioner

With Copies To: City of Chicago
Department of Law
Finance and Economic Development Division
121 North LaSalle Street, Room 600
Chicago, IL 60602

If to the Developer: Maple Jack, LLC
c/o Brinshore Development, L.L.C.
666 Dundee Road, Suite 1102
Northbrook, Illinois 60062
Attention: David Brint

And Maple Jack, LLC
c/o The Michaels Development Company, Inc.
3 East Stow Road, Suite 100
Marlton, New Jersey 08053
Attention: President

And Maple Jack, LLC
c/o The Michaels Development Company, Inc.
322 So. Green Street, Suite 204
Chicago, Illinois 60607
Attention: Whitney Weller

With copies to: Applegate & Thorne-Thomsen, P.C.
626 W. Jackson Blvd., Suite 400
Chicago, Illinois 60661
Attention: Bennett P. Applegate

And Levine, Staller, Sklar, Chan, Brown & Donnelly, P.A.
3030 Atlantic Avenue
Atlantic City, New Jersey 08401
Attention: Arthur Brown

And Bank of America Merrill Lynch
700 Louisiana Street
Houston, TX 77002-2700
Attn: Cassandra Silvernail
Facsimile: (214) 416-0710

And Bank of America, N.A.
Mail Code: MD4-325004-25
100 S. Charles Street, 4th Floor
Baltimore, Maryland 21201
Attention: Miles Cary and Arthanais Williams

And Bank of America, N.A.
Loan Administration
Mail Code: DC1-701-03-14
730 15th Street, N.W., 3rd Floor
Washington, D.C. 20005
Attention: Loan Administration Manager

With copies to: Buchalter Nemer PC
1000 Wilshire Boulevard
Suite 1500
Los Angeles, CA 90017
Attn: Michael A. Williamson, Esq.
Facsimile: (213) 630-5799

And Miles & Stockbridge P.C.
100 Light Street
Baltimore, Maryland 21202
Attn: Shaun F. Carrick

And Chicago Housing Authority
60 East Van Buren Street, 12th Floor
Chicago, Illinois 60605
Attention: Chief Executive Officer

If to Foresight: Foresight Affordable Housing - City Gardens, L.L.C.
c/o Foresight Affordable Housing, Inc.
6601 Ventnor Avenue #23
Ventnor City, New Jersey 08406
Attention: Donald Reape, Manager

With a copy to: Gary R. Griffith, Esquire
Griffith and Carlucci, P.C.
801 Asbury Avenue, Suite 200
Ocean City, New Jersey 08226

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to clause (a) hereof shall be deemed received upon such personal service. Any notice, demand or request sent

pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (c) shall be deemed received two (2) business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibit D hereto without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer Parties (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer Parties affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer Parties by more than ninety (90) days.

18.02 Entire Agreement. This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

18.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to the Developer Parties or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer Parties from the City or any successor in interest or on any obligation under the terms of this Agreement.

18.04 Further Assurances. The Developer Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

18.05 Waiver. Waiver by the City or the Developer Parties with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer Parties in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any such parties' rights or of any obligations of any other party hereto as to any future transactions.

18.06 Remedies Cumulative. The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

18.07 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

18.08 Headings. The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

18.09 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

18.10 Severability. If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

18.11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances, such ordinance(s) shall prevail and control.

18.12 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles.

18.13 Form of Documents. All documents required by this Agreement to be submitted, delivered or furnished to the City shall be in form and content satisfactory to the City.

18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD or the Commissioner, or any matter is to be to the City's, DPD's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, DPD or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act for the City or DPD in making all approvals, consents and determinations of satisfaction, granting the Substantial Completion Certificate or Final Completion Certificate or otherwise administering this Agreement for the City.

18.15 Assignment. The Developer Parties may not sell, assign or otherwise transfer their interest in this Agreement in whole or in part without the written consent of the City; provided, however, that the Developer Parties may collaterally assign their respective interests in this Agreement to any of its lenders identified to the City as of the Closing Date, or to any lenders identified after the Closing Date and approved by the City, if any such lenders require such collateral assignment. Any successor in interest to the Developer Parties under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to **Sections 8.18, 8.19 and 8.20** hereof, for the Term of the Agreement. The Developer Parties consent to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

18.16 Binding Effect. This Agreement shall be binding upon the Developer Parties, the City and their respective successors and permitted assigns (as provided herein) and shall

inure to the benefit of the Developer Parties, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

18.17 Force Majeure. Neither the City, the Developer Parties nor any successor in interest to any of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

18.18 Exhibits. All of the exhibits attached hereto are incorporated herein by reference.

18.19 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 *et seq.*), if the Developer Parties are required to provide notice under the WARN Act, the Developer Parties shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where the Developer Parties has locations in the State. Failure by the Developer Parties to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

18.20 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

18.21 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer Parties agree to pay upon demand the City's out-of-pocket expenses, including attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject to any limits under applicable law, attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services. Developer Parties also will pay any court costs, in addition to all other sums provided by law.

18.22 Business Relationships. The Developer Parties acknowledge (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer Parties have read such provision and understand that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter

involving any person with whom the elected City official or employee has a “**Business Relationship**” (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a “Business Relationship” (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer Parties hereby represent and warrant that, to the best of their knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

18.23 Debarment Certification. Failure by the Developer Parties or any controlling person of either, as defined in Section 1-23-010 of the Municipal Code, thereof to maintain eligibility to do business with the City as required by Section 1-23-030 of the Municipal Code shall be grounds for termination of this Agreement and the transactions contemplated thereby.

18.24 Inspector General and Legislative Inspector General. It is the duty of the Developer Parties, any subgrantee, bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of any such subgrantee, bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. The Developer Parties represent that they understand and will abide by all provisions of Chapter 2-56 of the Municipal Code and that the Developer Parties will inform subcontractors of this provision and require their compliance.

It is the duty of the Developer Parties, any subgrantee, bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of the Developer Parties, any such subgrantee, bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to Chapter 2-55 of the Municipal Code. The Developer Parties represent that they understand and will abide by all provisions of Chapter 2-55 of the Municipal Code and that the Developer Parties will inform subcontractors of this provision and require their compliance.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

CITY:

CITY OF CHICAGO, acting by and through
its Department of Planning and Development

By: _____
Andrew J. Mooney
Its Commissioner

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

NOTARY CERTIFICATION

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Andrew J. Mooney, Commissioner of the Department of Planning and Development of the City of Chicago, Illinois, an Illinois municipal corporation, on behalf of the corporation (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument pursuant to the authority given to him by the City, as his free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ____ day of _____, 2015.

Notary Public

My Commission Expires _____

(SEAL)

[DEVELOPER AND FORESIGHT EXECUTION ON FOLLOWING PAGE]

DEVELOPER AND FORESIGHT:

MAPLE JACK, LLC, an Illinois limited liability company

By: Maple Jack Manager, LLC,
an Illinois limited liability company
Its Manager

By: Brinshore Holding, LLC,
an Illinois limited liability company,
a manager

By: Brinshore Development, L.L.C.,
an Illinois limited liability company,
Its sole member

By: Brint Development, Inc.,
an Illinois corporation, a member

By: _____
Name: David B. Brint
Title: President

By: Michaels Chicago Holding Company, LLC,
an Illinois limited liability company,
a manager

By: _____
Name: John O'Donnell
Title: Vice President

**FORESIGHT AFFORDABLE HOUSING – CITY GARDENS,
LLC, a New Jersey limited liability company**

By: Foresight Affordable Housing, Inc., a New Jersey
not-for-profit corporation

Name: _____
Title: _____

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that David B. Brint, personally known to me to be the president of Brint Development, Inc., a member of Brinshore Development, L.L.C., an Illinois limited liability company, the sole member of Brinshore Holding, LLC, an Illinois limited liability company, a manager of Maple Jack Manager, LLC, an Illinois limited liability company (the "Manager"), the manager of Maple Jack, LLC, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such officer, he signed and delivered the said instrument, pursuant to authority given by the members of the Manager as the free and voluntary act of such person, and as the free and voluntary act and deed of the Manager and Maple Jack, LLC, for the uses and purposes therein set forth.

Given under my hand and official seal this ____ day of _____, 2015.

(SEAL)

Notary Public

NOTARY CERTIFICATION

STATE OF NEW JERSEY)
) ss
COUNTY OF BURLINGTON)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that John O'Donnell, personally known to me to be the vice president of Michaels Chicago Holding Company, LLC, an Illinois limited liability company, a manager of Maple Jack Manager, LLC, an Illinois limited liability company (the "Manager"), the manager of Maple Jack, LLC, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such vice president, he signed and delivered the said instrument, pursuant to authority given by the members of the Manager as the free and voluntary act of such person, and as the free and voluntary act and deed of the Manager and Maple Jack, LLC, for the uses and purposes therein set forth.

Given under my hand and official seal this _____ day of _____, 2015.

NOTARY CERTIFICATION

STATE OF NEW JERSEY)
) ss
COUNTY OF BURLINGTON)

I, the undersigned, a notary public in and for the said County, in the State aforesaid, HEREBY CERTIFY that _____, personally known to me to be the _____ of Foresight Affordable Housing, Inc., a New Jersey not-for-profit corporation and the sole member of Foresight Affordable Housing—City Gardens, L.L.C, a New Jersey limited liability company ("Foresight"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that s/he signed, sealed, and delivered said instrument, pursuant to the authority given to her/him by the members of Foresight, as her/his free and voluntary act and as the free and voluntary act of Foresight Affordable Housing, Inc. and Foresight, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2015.

Notary Public

My Commission Expires _____

(SEAL)

LIST OF EXHIBITS

Exhibit A	Redevelopment Area
Exhibit B	*Property Legal Description
Exhibit C	*TIF-Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
Exhibit F	Intentionally Deleted
Exhibit G	*Permitted Liens
Exhibit H-1	*Project Budget
Exhibit H-2	*MBE/WBE Budget
Exhibit I	Approved Prior Expenditures
Exhibit J	Opinion of Developer Parties' Counsel
Exhibit K	Requisition Form

(An asterisk(*) indicates which exhibits are to be recorded.)

EXHIBIT A
LEGAL DESCRIPTION OF AREA

See attached.

(Sub)Exhibit I.
(To Midwest Tax Increment Financing
Redevelopment Project And Plan)

Legal Description Of Project Boundary.

All that part of Sections 11, 12, 13, 14, 15, 22, 23 and 24 in Township 39 North, Range 13 East of the Third Principal Meridian and Sections 7 and 18 in Township 39 North, Range 14 East of the Third Principal Meridian bounded and described as follows:

beginning at the point of intersection of the west line of South California Avenue with the south line of West Roosevelt Road; thence east along said south line of West Roosevelt Road to the west line of South Talman Avenue; thence south along said west line of South Talman Avenue to the south line of Lot 20 in the subdivision of Lots 6 to 10 in Block 1 in Cook and Anderson's Subdivision of the west half of the northeast quarter of Section 24, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 20 being also the north line of West 12th Place; thence west along said north line of West 12th Place to the northerly extension of the east line of Lot 1 in Pope's Subdivision of Lots 11, 14, 15, 18, 19, 2, 23 and 26 of Block 1 of Cook and Anderson's Subdivision of the west half of the northeast quarter of Section 24, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 1 in Pope's Subdivision being also the west line of South Talman Avenue; thence south along said northerly extension and the west line of South Talman Avenue to the westerly extension of the north line of Lot 1 in John Berry, Jr. Guardian's Subdivision of Lots 15 and 16 of Block 3 of Cook and Anderson's Subdivision of the west half of the northeast quarter of Section 24, Township 39 North, Range 13 East of the Third Principal Meridian, said north line of Lot 1 in John Berry, Jr. Guardian's Subdivision being also the south line of West 13th Street; thence east along said westerly extension and along the south line of West 13th Street to the east line of said Lot 1 in John Berry, Jr. Guardian's Subdivision, said east line of said Lot 1 being also the west line of the alley east of South Talman Avenue; thence south along said west line of the alley east of South Talman Avenue to the southeasterly line of Lot 14 in the subdivision of Lots 1 to 5 and Lot 7 in Block 4 and Lots 1 to 6 and 11 to 14 in Block 3 and Lots 3, 4 and 5 in Block 5 in Cook and Anderson's Subdivision of the west half of the northeast quarter of Section 24, Township 39 North, Range 13 East of the Third Principal Meridian, said southeasterly line of Lot 14 being also the northwesterly line of the alley northwesterly of West Ogden Avenue, thence northeasterly along said northwesterly line of the alley northwesterly of West Ogden Avenue to the west line of South Rockwell Street; thence south along said west line of South Rockwell Street to the north line of West 15th Street; thence west along said north line of West 15th Street to the northerly extension of the west line of Lot 11 in Pope's Subdivision of Lots 1, 2, 3, 4, 10, 11, 12 and 13, all in Block 8 in Cook and Anderson's Subdivision in the west half of the northeast quarter of Section 24, Township 39 North, Range 13 East of the Third Principal Meridian, thence south along said northerly extension and the west line of Lot 11 in said Pope's Subdivision to the south line of said Lot 11, said south line of Lot 11 being also the north line of the alley north of West 15th Place, thence east along said north line of the alley north of West 15th Place to the northerly extension of the west line of Lot 17 in said Pope's Subdivision, thence south along said northerly extension and the west line of Lot 17 in said Pope's Subdivision to the north line of West 15th Place; thence west along said north line

of West 15th Place to the west line of South Washtenaw Avenue; thence south along said west line of South Washtenaw Avenue to the northwesterly line of West 19th Street, thence southwesterly along said northwesterly line of West 19th Street to the south line of Lot 24 in Block 4 in McMahon's Subdivision of the west half of the west half of the southeast quarter of Section 24, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 24 in Block 4 in McMahon's Subdivision being also the north line of West 19th Street; thence west along said north line of West 19th Street and along the westerly extension thereof to the west line of South California Avenue; thence south along said west line of South California Avenue to the northerly line of the C. B. & Q. Railroad right-of-way; thence southwesterly along said northerly line of the C. B. & Q. Railroad right-of-way to the west line of South Albany Avenue; thence north along said west line of South Albany Avenue to the north line of West 19th Street; thence east along said north line of West 19th Street to the west line of South Albany Avenue; thence north along said west line of South Albany Avenue to the southerly line of West Ogden Avenue; thence southwesterly along said southerly line of West Ogden Avenue to the west line of South Kedzie Avenue; thence north along said west line of South Kedzie Avenue to the south line of Lot 2 in Block 1 in Prescott's Douglas Park Addition to Chicago in Section 23, Township 39 North, Range 13 East of the Third Principal Meridian, a subdivision of Blocks 1, 2, 5 and 10 of Circuit Court Partition of the east half of the northeast quarter and that part of the east half of the southeast quarter (lying north of the centerline of West Ogden Avenue) of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said south line of Lot 2 in Block 1 in Prescott's Douglas Park Addition to Chicago and along the westerly extension thereof, and along the south line of Lot 28 in said Block 1 in Prescott's Douglas Park Addition to Chicago, and along the westerly extension thereof, and along the south line of Lot 2 in Block 2 in said Prescott's Douglas Park Addition to Chicago, and along the westerly extension thereof, and along the south line of Lot 40 in said Block 2 in Prescott's Douglas Park Addition to Chicago to the west line of said Lot 40, said west line of Lot 40 being also the east line of South Spaulding Avenue; thence south along said east line of South Spaulding Avenue to the easterly extension of the north line of Lot 15 in Sherman and Walter's Resubdivision of Block 11 in Circuit Court Partition of the east half of the northeast quarter and that part of the east half of the southeast quarter (lying north of the centerline of West Ogden Avenue) of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the north line of Lot 15 in Sherman and Walter's Resubdivision and along the westerly extension thereof, and along the north line of Lot 39 in said Sherman and Walter's Resubdivision and along the westerly extension thereof to the west line of South Christiana Avenue; thence north along said west line of South Christiana Avenue to the south line of Lot 2 in the resubdivision of Block 12 in said Circuit Court Partition of the east half of the northeast quarter and that part of the east half of the southeast quarter (lying north of the centerline of West Ogden Avenue) of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said south line of Lot 2 in the resubdivision of Block 12 in Circuit Court Partition and along the westerly extension thereof, and along the south line of Lot 64 in said resubdivision of Block 12 in Circuit Court Partition, and along the westerly extension thereof, and along the north line of Lot 3 in Block 1 in Lyman Trumbull's Subdivision of that part of the east half of the west half of the southeast quarter of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian to the west line of said Lot 3, said west line of Lot 3 being also the east line of the alley west of South Homan Avenue; thence south along said east line of the alley west of South Homan Avenue to the easterly extension of the south line of the

north 10 feet of Lot 46 in said Block 1 in Lyman Trumbull's Subdivision; thence west along said easterly extension and the south line of the north 10 feet of Lot 46 in Block 1 in Lyman Trumbull's Subdivision and along the westerly extension thereof to the west line of South Trumbull Avenue; thence south along said west line of South Trumbull Avenue to the south line of the north 5 feet of Lot 4 in Block 2 in said Lyman Trumbull's Subdivision; thence west along said south line of the north 5 feet of Lot 4 in Block 2 in Lyman Trumbull's Subdivision and along the westerly extension thereof to the east line of Lot 45 in said Block 2 in Lyman Trumbull's Subdivision, said east line of Lot 45 being also the west line of the alley west of South Trumbull Avenue; thence north along said west line of the alley west of South Trumbull Avenue to the north line of said Lot 45 in Block 2 in Lyman Trumbull's Subdivision; thence west along said north line of said Lot 45 in Block 2 in Lyman Trumbull's Subdivision and along the westerly extension thereof to the west line of South St. Louis Avenue; thence north along said west line of South St. Louis Avenue to the south line of Lot 2 in Wood's Lawndale Subdivision of that part lying north of West Ogden Avenue of the east half of the west half of the west half together with the north 265 feet of the west half of the west half of the southeast quarter of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said south line of Lot 2 in Wood's Lawndale Subdivision and along the westerly extension thereof and along the south line of Lot 96 in said Wood's Lawndale Subdivision to the east line of South Drake Avenue; thence south along said east line of South Drake Avenue to the easterly extension of the south line of Lot 99 in said Wood's Lawndale Subdivision; thence west along said easterly extension and the south line of Lot 99 in Wood's Lawndale Subdivision and along the westerly extension thereof and along the south line of Lot 114 in said Wood's Lawndale Subdivision to the east line of South Central Park Avenue; thence south along said east line of South Central Park Avenue to the easterly extension of the north line of Lot 9 in J. T. Mathew's Subdivision of Lots 1 and 20 in J. H. Kedzie's Subdivision of part of the southwest quarter of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the north line of Lot 9 in J. T. Mathew's Subdivision and along the westerly extension thereof to the east line of Lot 6 in Block 1 in the resubdivision of Blocks 1 to 5 and vacated alleys in Lansingh's Second Addition to Chicago, a subdivision in the east half of the southwest quarter of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 6 being also the west line of the alley west of South Central Park Avenue, thence south along said west line of the alley west of South Central Park Avenue to the south line of Lot 11 in said Block 1 in the resubdivision of Blocks 1 to 5 and vacated alleys in Lansingh's Second Addition to Chicago; thence west along said south line of Lot 11 in Block 1 in the resubdivision of Blocks 1 to 5 and vacated alleys in Lansingh's Second Addition to Chicago and along the westerly extension thereof to the west line of South Millard Avenue; thence north along said west line of South Millard Avenue to the south line of Lot 6 in Block 2 in said resubdivision of Blocks 1 to 5 and vacated alleys in Lansingh's Second Addition to Chicago; thence west along said south line of Lot 6 in Block 2 in the resubdivision of Blocks 1 to 5 and vacated alleys in Lansingh's Second Addition to Chicago and along the westerly extension thereof to the east line of Lot 154 in Lansingh's Addition to Chicago, a subdivision of Lots 5, 6, 15, 16 and the west 146 17 feet of Lots 4 and 17 in J. H. Kedzie's Subdivision of part of the southwest quarter of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 154 in Lansingh's Addition to Chicago being also the west line of the alley west of South Millard Avenue; thence north along said east line of Lot 154 in Lansingh's Addition to Chicago to the north line of said Lot 154; thence west along said

north line of Lot 154 in Lansingh's Addition to Chicago and along the westerly extension thereof to the west line of South Lawndale Avenue; thence north along said west line of South Lawndale Avenue to the south line of Lot 143 in said Lansingh's Addition to Chicago; thence west along said south line of Lot 143 in said Lansingh's Addition to Chicago and along the westerly extension thereof to the east line of Lots 3 and 4 in said Lansingh's Addition to Chicago, said east line of Lots 3 and 4 in Lansingh's Addition to Chicago being also the west line of the alley west of South Lawndale Avenue; thence north along said west line of the alley west of South Lawndale Avenue to the south line of the north 11.5 feet of Lot 3 in said Lansingh's Addition to Chicago; thence west along said south line of the north 11.5 feet of Lot 3 in Lansingh's Addition to Chicago and along the westerly extension thereof to the west line of South Ridgeway Avenue; thence north along said west line of South Ridgeway Avenue to the south line of the north 16 feet of Lot 2 in Downing's Subdivision (except streets) of Lots 7 to 14, inclusive, in J. H. Kedzie's Subdivision of part of the southwest quarter of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said south line of the north 16 feet of Lot 2 in Downing's Subdivision to the west line of said Lot 2, said west line of Lot 2 being also the east line of the alley east of South Hamlin Avenue; thence south along said east line of the alley east of South Hamlin Avenue to the easterly extension of the south line of Lot 150 in said Downing's Subdivision; thence west along said easterly extension and the south line of Lot 150 in said Downing's Subdivision and along the westerly extension thereof to the west line of South Hamlin Avenue; thence north along said west line of South Hamlin Avenue to the south line of Lot 152 in said Downing's Subdivision in the west half of the southwest quarter of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said south line of Lot 152 in Downing's Subdivision and along the westerly extension thereof and along the south line of Lot 313 in said Downing's Subdivision to the east line of South Avers Avenue; thence south along said east line of South Avers Avenue to the easterly extension of the north line of Lot 21 in Block 1 in Moore's Subdivision of Lot 1 of Superior Court Partition of the west 60 acres north of South Western Plank Road of the southwest quarter of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian, said north line of Lot 21 being also the south line of the alley north of West 18th Street; thence west along said easterly extension and along the south line of the alley north of West 18th Street and along the westerly extension thereof to the west line of South Springfield Avenue; thence north along said west line of South Springfield Avenue to the north line of Lot 12 in Block 2 in said Moore's Subdivision, said north line of Lot 12 being also the south line of the alley south of West 16th Street; thence west along said south line of the alley south of West 16th Street to the west line of South Komensky Avenue; thence north along said west line of South Komensky Avenue to the westerly extension of the south line of Lot 31 in Block 8 in Our Home Addition to Chicago, a subdivision of the east half of the northeast quarter of Section 22, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 31 being also the north line of the alley north of West 16th Street, thence east along said westerly extension and the south line of Lot 31 in Block 8 in Our Home Addition to Chicago to the southeasterly line of said Lot 31; thence northeasterly along said southeasterly line of Lot 31 in Block 8 in Our Home Addition to Chicago to the east line of said Lot 31, said east line of Lot 31 being also the west line of the alley west of South Pulaski Road; thence north along said west line of the alley west of South Pulaski Road to the south line of Lot 6 in Block 1 in William A. Merigold's Resubdivision of the north 50 acres of the east half of the northeast quarter of Section 22, Township 39 North, Range 13 East of the Third Principal Meridian said south line of Lot 6 being also the north line of the alley south of West Roosevelt Road;

thence west along said south line of Lot 6 and along the south line of Lot 7, all in Block 1 in William A. Merigold's Resubdivision to the west line of the east 4.5 feet of said Lot 7; thence north along said west line of the east 4.5 feet of Lot 7 in Block 1 in William A. Merigold's Resubdivision to the south line of West Roosevelt Road; thence west along said south line of West Roosevelt Road to the west line of South Karlov Avenue; thence north along said west line of South Karlov Avenue to the westerly extension of the north line of Lot 25 in Block 8 in 12 Street Land Association Subdivision in the east half of the southeast quarter of Section 15, Township 39 North, Range 13 East of the Third Principal Meridian, said north line of Lot 25 being also the south line of the alley north of West Grenshaw Street; thence east along said westerly extension and along the south line of the alley north of West Grenshaw Street to the west line of South Pulaski Road; thence north along said west line of South Pulaski Road to the westerly extension of the north line of Lot 1 in L. E. Ingall's Subdivision of that part of Blocks 5 and 6 in Circuit Court Partition lying south of the Wisconsin Rail Road, said north line of Lot 1 in L. E. Ingall's Subdivision being also the south line of the alley north of West Fillmore Street; thence east along said westerly extension and the south line of the alley north of West Fillmore Street to the west line of South Springfield Avenue; thence north along said west line of South Springfield Avenue to the south line of Lot 1 in Block 2 in W. J. and D. F. Anderson's Subdivision of Subblock 1 (except the west 100 feet of the south half thereof conveyed to the Chicago, Harlem and Batavia Railroad Company) of Block 5 and all of Subblock 1 of Block 6, all in the Circuit Court Partition of the west half of the southwest quarter of Section 14, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 1 in Block 2 in W. J. and D. F. Anderson's Subdivision being also the north line of the alley south of West Arthington Street; thence west along said north line of the alley south of West Arthington Street to the east line of South Pulaski Road; thence south along said east line of South Pulaski Road to the easterly extension of the south line of Lot 48 in Block 1 in 12th Street Land Association Subdivision of Blocks 1, 5, 8 and 9 of the partition of that part of the east half of the southeast quarter lying south of the center of Barry Point Road except the north 26 acres of said part of the east half of the southeast quarter of Section 15, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 48 in Block 1 in 12th Street Land Association Subdivision being also the north line of West Taylor Street; thence west along said easterly extension and along the north line of West Taylor Street to the east line of South Kildare Avenue; thence north along said east line of South Kildare Avenue to the northerly line of West 5th Avenue; thence southwesterly along said northerly line of West 5th Avenue to the west line of Lot 20 in Block 6 in the subdivision of that part of the east half of the southwest quarter of Section 15, Township 39 North, Range 13 East of the Third Principal Meridian lying north of Barry Point Road, said west line of Lot 20 being also the east line of The Belt Railway Company of Chicago right-of-way, thence north along said east line of The Belt Railway Company of Chicago right-of-way to the north line of West Polk Street, thence east along said north line of West Polk Street and along the easterly extension thereof to the east line of South Kolmar Avenue; thence north along said east line of South Kolmar Avenue to the southerly line of the Congress Street Expressway; thence easterly along said southerly line of the Congress Street Expressway to the north line of West Harrison Street, thence east along said north line of West Harrison Street to the west line of South Pulaski Road; thence north along said west line of South Pulaski Road to the westerly extension of the south line of Lot 25 in Block 14 in Lambert Tree's Subdivision of the west half of the northwest quarter of Section 14, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 25 in Block 14 in Lambert Tree's Subdivision being also

the north line of West Congress Parkway; thence east along said north line of West Congress Parkway to the east line of South Hamlin Avenue; thence north along said east line of South Hamlin Avenue and along the east line of North Hamlin Avenue to the south line of the Chicago & Northwestern Railroad Company right-of-way in the east half of the southwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence east along said south line of the Chicago & Northwestern Railroad Company right-of-way to the west line of vacated North Central Park Avenue, said west line of vacated North Central Park Avenue being a line 10 feet west of and parallel with the west line of the west half of the southeast quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence south along said west line of vacated North Central Park Avenue to the south line of vacated North Central Park Avenue, said south line of vacated North Central Park Avenue being a line 86 feet south of and parallel with the south line of the Chicago & Northwestern Railroad Company right-of-way; thence east along said south line of vacated North Central Park Avenue to the east line of North Central Park Avenue; thence south along said east line of North Central Park Avenue to the north line of West Lake Street; thence easterly along said north line of West Lake Street to the west line of North Kedzie Avenue; thence south along said west line of North Kedzie Avenue to the north line of West Washington Boulevard; thence east along said north line of West Washington Boulevard to the east line of North Talman Avenue; thence south along said east line of North Talman Avenue to the north line of Lot 15 in Pollack's Subdivision of 4 acres in the south half of the southeast quarter of Section 12, Township 39 North, Range 13 East of the Third Principal Meridian; thence east along said north line of Lot 15 in Pollack's Subdivision and along the north line of Lot 14 in said Pollack's Subdivision to a line 25 feet east of and parallel with the east line of North Talman Avenue; thence north along said line 25 feet east of and parallel with the east line of North Talman Avenue to the north line of West Washington Boulevard; thence east along said north line of West Washington Boulevard to the west line of North Western Avenue; thence south along said west line of North Western Avenue to the south line of West Washington Boulevard; thence east along said south line of West Washington Boulevard to the east line of North Western Avenue; thence south along said east line of North Western Avenue and along the east line of South Western Avenue to the easterly extension the north line of West Congress Street, thence west along said easterly extension and the north line of West Congress Street to the east line of the Chicago and Northwestern Railroad right-of-way; thence south along said east line of Chicago and Northwestern Railroad right-of-way to the centerline of West Harrison Street, thence west along said centerline of West Harrison Street to the west line of the Chicago and Northwestern Railroad right-of-way; thence north along said west line of the Chicago and Northwestern Railroad right-of-way to the north line of West Congress Street; thence west along said north line of West Congress Street to the northerly extension of the east line of Lot 56 in Block 6 in James U. Borden's Resubdivision of Block 6 and Lots 1 to 24, inclusive, of Block 6 of Reed's Subdivision of the east three-fourths of the south quarter of the northwest quarter of Section 13, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 56 being also the west line of the alley west of South California Avenue; thence south along said northerly extension and along the west line of the alley west of South California Avenue and along the southerly extension thereof to the south line of West Harrison Street; thence east along said south line of West Harrison Street to the west line of South California Avenue, thence south along said west line of South California Avenue to the point of beginning at the south line of West Roosevelt Road, excepting from the foregoing all that part of the south half of Sections 13 and 14 in Township 39 North, Range 13 East of the Third Principal Meridian bounded and described as follows:

beginning at the point of intersection of the centerline of South Albany Avenue with the centerline of West Roosevelt Road; thence west along said centerline of West Roosevelt Road to the centerline of South Central Park Avenue; thence north along said centerline of South Central Park Avenue to the easterly extension of the north line of Lot 51 in Givins and Gilbert's Subdivision of the south 15 acres of the east half of the east half of the southwest quarter of Section 14, Township 39 North, Range 13 East of the Third Principal Meridian, said north line of Lot 51 in Givins and Gilbert's Subdivision being also the south line of the alley south of West Fillmore Street; thence west along said south line of the alley south of West Fillmore Street and along the westerly extension thereof to the east line of Lot 14 in Edward Casey's Addition to Chicago, a subdivision in the east half of the southwest quarter of Section 14, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 14 in Edward Casey's Addition to Chicago being also the west line of the alley east of South Independence Boulevard; thence north along said west line of the alley east of South Independence Boulevard to the south line of West Fillmore Street; thence west along said south line of West Fillmore Street to the west line of South Independence Boulevard; thence north along said west line of South Independence Boulevard to the westerly extension of a line 200 feet south of and parallel with the south line of West Arthington Street, said line 200 feet south of and parallel with the south line of West Arthington Street being also the north line of the alley south of West Arthington Street; thence east along said westerly extension and the north line of the alley south of West Arthington Street to the west line of South Lawndale Avenue; thence north along said west line of South Lawndale Avenue to the south line of West Arthington Street; thence west along said south line of West Arthington Street to the southerly extension of the east line of Lot 66 in Goldy's Third Addition to Chicago, a subdivision of the north 296 feet, together with that part lying south of the north 1,019.6 feet of the east half of the north half of the west half of the east half of the southwest quarter of Section 14, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 66 in Goldy's Third Addition to Chicago being also the west line of South Lawndale Avenue; thence north along said southerly extension and along the west line of South Lawndale Avenue to the north line of West Polk Street; thence east along said north line of West Polk Street to the east line of South St. Louis Avenue; thence north along said east line of South St. Louis Avenue to the south line of West Lexington Street; thence east along said south line of West Lexington Street to the west line of South Homan Avenue; thence south along said west line of South Homan Avenue to the north line of West Polk Street; thence east along said north line of West Polk Street to the northerly extension of the west line of Lot 13 in Block 12 in E. A. Cummings and Company's Central Park Avenue Addition, a subdivision in the east half of the southeast quarter of Section 14, Township 39 North, Range 13 East of the Third Principal Meridian; thence south along said northerly extension and the west line of Lot 13 in Block 12 in E. A. Cummings and Company's Central Park Avenue Addition to the north line of West Arthington Street; thence east along said north line of West Arthington Street to the east line of South Kedzie Avenue; thence south along said east line of South Kedzie Avenue to the south line of the B. & O. C. T. Railroad right-of-way, said south line of the B. & O. C. T. Railroad right-of-way being also the north line of the alley north of West Fillmore Street; thence east along said south line of the B. & O. C. T. Railroad right-of-way to the centerline of South Albany Avenue; thence south along said centerline of South Albany Avenue to the point of beginning at the centerline of West Roosevelt Road, all in the City of Chicago, Cook County, Illinois.

EXHIBIT B

PROPERTY LEGAL DESCRIPTION

(Subject to Final Title and Survey)

LOTS 16 TO 34, BOTH INCLUSIVE, IN CUNNINGHAM AND LADD'S SUBDIVISION OF LOTS 3, 4 AND 5 IN BLOCK 6 IN ROCKWELL'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN; TOGETHER WITH THE VACATED ALLEYS NORTH OF AND ADJOINING LOT 29 AND SOUTH OF AND ADJOINING LOT 21 IN SAID BLOCK, ALL IN COOK COUNTY, ILLINOIS.

(PIN NUMBER: 16-13-218-003, as to a portion of the land)

AND

LOTS 1 TO 21, BOTH INCLUSIVE, IN BAILEY AND BARD'S SUBDIVISION OF LOTS 1 AND 2 OF BLOCK 6 OF ROCKWELL'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN; TOGETHER WITH THE VACATED ALLEYS NORTH OF AND ADJOINING LOT 7, SOUTH OF AND ADJOINING LOT 15 AND EAST OF AND ADJOINING LOTS 7 THROUGH 15 IN SAID BLOCK, ALL IN COOK COUNTY, ILLINOIS.

(PIN NUMBER: 16-13-218-001, as to a portion of the land)

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

Category	Project Budget Amount	% TIF-Eligible	TIF-Eligible Cost
Sitework	\$1,280,897	100%	\$1,280,897
Affordable Housing Unit Costs			
Hard Costs	\$11,527,608	50%	\$5,763,804
Additional GC Costs	\$1,609,468	50%	\$804,734
Soft Costs and Architecture/Engineering	\$1,025,212	50%	\$512,606
Total			\$8,362,041*

*Notwithstanding the total amount referenced above, the City Funds for the TIF-Funded Improvements shall not exceed \$3,150,000.

EXHIBIT D
REDEVELOPMENT PLAN
To be attached at Closing.

EXHIBIT E
CONSTRUCTION CONTRACT

To be attached at Closing.

EXHIBIT F

Intentionally Deleted

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

Those matters set forth as Schedule B title exceptions in the owner's title insurance policy issued by the Title Company as of the date hereof, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any: _____.

**EXHIBIT H-1
PROJECT BUDGET**

Land Acquisition	\$0
Sitework	\$2,606,667
Unit Construction Costs	\$15,944,132
Additional GC Costs	\$2,560,185
Architectural and Engineering	\$1,134,785
Other Soft Costs	\$2,691,036
Lender Fees	\$942,342
Insurance and Taxes	\$251,840
Marketing and Leasing	\$213,800
Developer Fee	\$1,711,915
Reserves	\$686,682
Total Project Costs	\$28,743,384

**EXHIBIT H-2
MBE/WBE BUDGET**

Project Hard Costs	\$21,110,984
Project Soft Costs, incl. Architecture & Engineering	\$1,134,785
Project MBE/WBE Total Budget	\$22,245,769

Project MBE Total at 24%	\$5,338,985
Project WBE Total at 4%	\$889,831

EXHIBIT I

APPROVED PRIOR EXPENDITURES

To be attached at Closing.

EXHIBIT J

OPINION OF DEVELOPER PARTIES' COUNSEL

[To be retyped on the Developer Parties' Counsel's letterhead]

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

I have acted as counsel to Maple Jack, LLC, an Illinois limited liability company (the "Developer") and its managing member, Maple Jack Manager, LLC, an Illinois limited liability company (the "Managing Member"), in connection with the acquisition of certain land and the construction of certain facilities thereon located in the Midwest Redevelopment Project Area (the "Project"). In that capacity, I have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

- (a) Maple Jack, LLC Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer, Foresight and the City of Chicago (the "City"); and
- (b) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, I have examined:

- (a) the original or certified, conformed or photostatic copies of (1) the Developer's (i) Articles of Organization, (ii) operating agreement, (iii) By-Laws, if any, (iv) the certificate of good standing, and (v) records of all members' proceedings relating to the Project; and (2) the Managing Member's (i) Articles of Organization, (ii) operating agreement, (iii) By-Laws, if any, (iv) the certificate of good standing, and (v) records of all members' proceedings relating to the Project; and
- (b) such other documents, records and legal matters as I have deemed necessary or relevant for purposes of issuing the opinions hereinafter expressed.

In all such examinations, I have assumed the genuineness of all signatures (other than those of the Developer and the Managing Member), the authenticity of documents submitted to us as originals and conformity to the originals of all documents submitted to us as certified, conformed or photostatic copies.

Based on the foregoing, it is my opinion that:

1. The Developer is a limited liability company, duly organized and validly existing under the laws of its state of formation, has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a limited liability company under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business. The Managing Member is a limited liability company, duly organized, validly existing and in good standing under the laws of its state of incorporation, has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign corporation under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

2. The Developer and the Managing Member have full right, power and authority to execute and deliver the Documents to which they are a party and to perform their obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, the Developer's operating agreement or the Managing Member's articles of organization, or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of my knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which the Developer or the Managing Member is a party or by which the Developer or the Managing Member or its properties is bound. To the best of my knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture, undertaking or other instrument to which the Developer or the Managing Member is a party or by which it or any of its property may be bound, or result in the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its property pursuant to the provisions of any of the foregoing, other than liens or security interests in favor of the lender providing Lender Financing (as defined in the Agreement).

3. The execution and delivery of each Document and the performance of the transactions contemplated thereby have been duly authorized and approved by all requisite action on the part of the Developer and the Managing Member.

4. Each of the Documents to which the Developer or the Managing Member is a party has been duly executed and delivered by a duly authorized officer of the Developer or the Managing Member, as applicable, and each such Document constitutes the legal, valid and binding obligation of the Developer or the Managing Member enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency or similar laws affecting the enforcement of creditors' rights generally.

5. To the best of my knowledge after diligent inquiry, no judgments are outstanding against the Developer or the Managing Member nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against the Developer or the Managing Member or affecting the Developer or the Managing Member or its property, or seeking to restrain or enjoin the performance by the Developer or the Managing Member of the Agreement or the transactions contemplated by the Agreement, or contesting the validity thereof. To the best of my knowledge after diligent inquiry, the Developer or the

Managing Member is not in default with respect to any order, writ, injunction or decree of any court, government or regulatory authority or in default in any respect under any law, order, regulation or demand of any governmental agency or instrumentality, a default under which would have a material adverse effect on the Developer or, the Managing Member or its business.

6. To the best of my knowledge after diligent inquiry, there is no default by the Developer or the Managing Member or any other party under any material contract, lease, agreement, instrument or commitment to which the Developer or the Managing Member is a party or by which the company or its properties is bound.

7. To the best of my knowledge after diligent inquiry, all of the assets of the Developer or the Managing Member are free and clear of mortgages, liens, pledges, security interests and encumbrances except for those specifically set forth in the Documents.

8. The execution, delivery and performance of the Documents by the Developer or the Managing Member have not and will not require the consent of any person or the giving of notice to, any exemption by, any registration, declaration or filing with or any taking of any other actions in respect of, any person, including without limitation any court, government or regulatory authority.

9. To the best of my knowledge after diligent inquiry, the Developer or the Managing Member own or possess or is licensed or otherwise have the right to use all licenses, permits and other governmental approvals and authorizations, operating authorities, certificates of public convenience, goods carriers permits, authorizations and other rights that are necessary for the operation of its business.

10. A federal or state court sitting in the State of Illinois and applying the choice of law provisions of the State of Illinois would enforce the choice of law contained in the Documents and apply the law of the State of Illinois to the transactions evidenced thereby.

I am admitted to practice in the State of Illinois and I express no opinion as to any laws other than federal laws of the United States of America and the laws of the State of Illinois.

This opinion is issued at the Developer's and the Managing Member's request for the benefit of the City and its counsel, and may not be disclosed to or relied upon by any other person.

Very truly yours,

By: _____

Name: _____

EXHIBIT K
REQUISITION FORM

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The affiant, _____, the _____ of, _____, an Illinois _____, the _____ of Maple Jack Manager, LLC, an Illinois limited liability company ("the Managing Member") and the managing member of Maple Jack, LLC, an Illinois limited liability company (the "Developer"), hereby certifies that with respect to that certain Maple Jack, LLC Redevelopment Agreement among the Developer, the Managing Member and the City of Chicago dated _____, 201[] (the "Agreement"):

A. Expenditures for the Project, in the total amount of \$ _____, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date:

\$ _____

C. The Developer requests reimbursement for the following cost of TIF-Funded Improvements:

\$ _____

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. The Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Redevelopment Agreement are true and correct and the Developer is in compliance with all applicable covenants contained herein.
2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

All capitalized terms which are not defined herein has the meanings given such terms in the Agreement.

By: _____

Subscribed and sworn before me this ____ day of _____
_____.

My commission expires: _____

Agreed and accepted:

Name: _____

Title: _____

City of Chicago
Department of Planning and Development

7. **No Impairment.** All ordinances, resolutions, motions or orders in conflict with this Ordinance are hereby repealed to the extent of such conflict. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the security for or payment of the instruments authorized by this Ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for violation of any provision of the Municipal Code.

8. **Effective Date.** This Ordinance shall be in full force and effect immediately upon its passage and approval.

APPROVED
Stephen R. Poth
CORPORATION COUNCIL

APPROVED
Robin E. Emanuel
01/26/15
MAYOR