



City of Chicago



O2018-1883

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	2/28/2018
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Agreement with True to Life Foundation for sale and redevelopment of land at 8828 S Stony Island Ave
Committee(s) Assignment:	Committee on Housing and Real Estate

ORDINANCE

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

WHEREAS, the City is the owner of the parcel of property located at 8828 S. Stony Island Avenue, Chicago, Illinois, which parcel is improved with a former Chicago Public Library building and is legally described on Exhibit A attached hereto (the "Property"), and

WHEREAS, the appraised fair market value of the Property is Three hundred twenty five thousand dollars (\$325,000); and

WHEREAS, True to Life Foundation, an Illinois not-for-profit corporation, located at 1712 East 87th Street, Chicago, IL 60617, ("Developer") desires to purchase the Property from the City for the sum of One Dollar (\$1.00); and

WHEREAS, Developer currently leases the Property from the City and uses it as a community service center, providing programs such as summer full-day camp, teen mentoring, after school programs, senior workshops, and other community activities; and

WHEREAS, by Resolution adopted by the Plan Commission of the City of Chicago (the "Plan Commission") on September 20, 2017, the Plan Commission recommended the sale of the Property; and

WHEREAS, public notices advertising the proposed sale and requesting alternative proposals appeared in the Chicago Sun-Times on September 30, October 9, and October 20, 2017; and

WHEREAS, no alternative proposals were received by the deadline set forth in the aforesaid public notices; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. The sale of the Property to the Developer in the amount of One Dollar (\$1.00) is hereby approved. This approval is expressly conditioned upon the City entering into a Redevelopment Agreement with the Developer substantially in the form attached hereto as Exhibit B. The Commissioner of the Department of Planning and Development, or any successor department thereto, (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, and such other supporting documents as may be necessary or appropriate 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.

SECTION 3. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed conveying the Property to the Developer. Such deed shall include the following covenants: 1) a covenant obligating the Developer to use the Property as a not-for-profit community service center for 20 years after the City conveys the Property to Developer; and 2) a covenant requiring the Developer to continue to provide programs such as summer full-day camp, teen mentoring, Senior workshops, and after school programs during the school year. Students served shall be City of Chicago residents, with at least 50% of students coming from the following zip codes: 60619, 60617, 60620 and 60649. Any other use must be approved by the Commissioner. In the event that either covenant is violated, the City may re-enter the Property and re-vest title in the City. Developer, at the request of the City, covenants to execute and deliver to the City a reconveyance deed to the Property to further evidence such re-vesting of title. This right of reverter and re-entry in favor of the City of Chicago shall terminate forty (40) years from the date of the deed.

SECTION 4. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 5. All ordinances, resolutions, motions or orders inconsistent with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. This ordinance shall take effect upon its passage and approval.

EXHIBIT A

Legal Description (Subject to Title Commitment and Survey):

LOTS 11, 12, 13 AND 14 IN BLOCK 5 IN ADDITION TO CALUMET GATEWAY, A SUBDIVISION OF PART OF CALUMET AND CHICAGO CANAL AND DOCK CO'S SUBDIVISION OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Commonly Known As: 8828 South Stony Island Avenue, Chicago, IL

PINS: 25-02-215-028-0000
25-02-215-029-0000
25-02-215-030-0000
25-02-215-031-0000

EXHIBIT B

This Document Prepared by and
After Recording Return To:

Elizabeth Whitaker, Senior Counsel
City of Chicago
Department of Law
Real Estate Division
121 North LaSalle Street
Room 600
Chicago, Illinois 60602
(312) 744-0200

AGREEMENT
FOR THE SALE
AND REDEVELOPMENT
OF LAND

(The Above Space For Recorder's Use Only)

This AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND, as may be amended from time to time ("Agreement"), is made on or as of the _____ day of _____, 2018 (the "Effective Date"), by and between the CITY OF CHICAGO, an Illinois municipal corporation and home rule unit of government ("City"), acting by and through its Department of Planning and Development (together with any successor department thereto, the "Department"), having its principal offices at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602 and TRUE TO LIFE FOUNDATION, an Illinois not-for-profit corporation, ("Developer"), located at 1712 East 87th Street Chicago, Illinois, 60617.

RECITALS

WHEREAS, the Developer desires to purchase from the City, for One and 00/100 Dollars, (\$1.00) the real property commonly known as 8828 South Stony Island Avenue, Chicago, Illinois (subject to final title commitment and survey), which is improved with a former Chicago Public Library which Developer currently leases from the City and uses to operate a community center, and legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, Developer has made all the necessary improvements for operation of a community center and the Property does not require any additional renovations and will continue to be operated as a community center, providing after school programs, job readiness services

and other community activities (the "Project" as further described on Exhibit B attached hereto); and

WHEREAS, as of April 28, 2017, the appraised fair market value of the Property was Three hundred Twenty-Five Thousand and 00/100 Dollars (\$325,000.00); and

WHEREAS, the City Council, pursuant to an ordinance adopted on _____, 2018 and published at pages _____ through _____ in the Journal of the Proceedings of the City Council of such date, authorized the sale of the Property to the Developer for One and 00/100 Dollars (\$1.00), subject to the execution, delivery and recording of this Agreement, and in consideration of the Developer's fulfillment of its obligations under this Agreement.

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 agree as follows:

SECTION 1. INCORPORATION OF RECITALS.

The recitals set forth above constitute an integral part of this Agreement and are incorporated herein by this reference with the same force and effect as if set forth herein as agreements of the parties.

SECTION 2. PURCHASE PRICE / EARNEST MONEY / PERFORMANCE DEPOSIT.

2.1 Purchase Price. Subject to the terms, covenants and conditions of this Agreement, the City agrees to sell the Property to the Developer, and the Developer agrees to purchase the Property and the from the City, for One and 00/100 Dollars (\$1.00) (the "Purchase Price") to be paid by cashier's check, certified check or wire transfer of immediately available funds, on the Closing Date (defined in Section 3).

2.2 Earnest Money. [Intentionally Omitted]

2.3 Performance Deposit. [Intentionally Omitted]

SECTION 3. CLOSING.

The closing of the transfer of the Property from the City to the Developer (the "Closing" or, the "Closing Date") shall take place at the downtown offices of Greater Illinois Title Company, 120 North LaSalle Street, Chicago, Illinois 60602 (the "Title Company"). In no event shall the Closing occur (1) until and unless the conditions precedent set forth in Section 8 are all satisfied, unless the Department, in its sole discretion, waives one or more of such conditions; and (2) any later than May, 2018 (the "Outside Closing Date"), unless, at the Developer's request, the Department, in its sole discretion, extends the Outside Closing Date. At the Closing, the City shall deliver to the Developer (a) the Deed (as defined below); (b) all necessary state, county and municipal real estate transfer declarations; and (c) possession of the Property.

SECTION 4. CONVEYANCE OF TITLE.

4.1 Form of Deed. The City shall convey the Property to the Developer by quitclaim deed (“Deed”), subject to the terms of this Agreement and, without limiting the quitclaim nature of the Deed, the following:

- a. standard exceptions in an ALTA title insurance policy;
- b. general real estate taxes and any special assessments or other taxes;
- c. all easements, encroachments, covenants and restrictions of record and not shown of record;
- d. such other title defects that may exist; and
- e. any and all exceptions caused by the acts of the Developer or its agents.

4.2 Intentionally Omitted.

4.3 Recording Costs. The Developer shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the Property to the Developer.

4.4 Escrow. If the Developer requires conveyance through escrow, the Developer shall pay all escrow fees.

SECTION 5. TITLE, SURVEY AND REAL ESTATE TAXES.

5.1 Title Commitment and Insurance. Not less than 30 days before the anticipated Closing Date, the Developer shall order a current title commitment for the Property issued by the Title Company. The Developer shall pay the cost of, and shall be responsible for, obtaining on the Closing Date, any title insurance, extended coverage and any endorsements it deems necessary. The City agrees to provide the Title Company with a completed ALTA owner’s statement, and other transfer documents typically required by the Title Company and typically provided by the City (but expressly excluding, however, “gap” undertakings, title indemnities and similar liabilities) at or prior to the Closing. At the Closing, the Developer shall deliver to the City a copy of the owner’s policy of title insurance that it obtains with respect to the Property.

5.2 Survey. The Developer will be responsible for obtaining, at Developer’s expense, a survey for the Property.

5.3 Real Estate Taxes. The City shall use reasonable efforts to obtain the waiver or release of any delinquent real estate taxes or tax liens on the Property prior to the Closing Date, to the extent such taxes or tax liens can be waived or released through submission of an abatement letter to the Cook County Treasurer, a motion to vacate a tax sale, or a petition for exemption. If, after using such reasonable efforts, the City is unable to obtain the waiver or release of any such tax liens or is unable to cause the Title Company to insure over such tax liens, or if the Property is encumbered with any other exceptions that would adversely affect the use and insurability of the Property for the development of the Project, the Developer shall have the option to do one of the following: (1) accept title to the Property subject to the exceptions, without reduction in the Purchase Price; or (2) terminate this Agreement by delivery of written notice to the City, in which event this Agreement shall be null and void, and except as otherwise specifically provided herein, neither party shall have any further right, duty or obligation hereunder. If the Developer elects not to terminate this Agreement as aforesaid, the Developer agrees to accept title subject to all exceptions.

SECTION 6. BUILDING PERMITS AND OTHER GOVERNMENTAL APPROVALS.

The Developer shall apply for and obtain all necessary building permits and other approvals, including, without limitation, zoning approval (collectively, the "Governmental Approvals"), prior to the Closing Date, unless the Department, in its sole discretion, agrees to waive such requirement. The Property is zoned B3-2, which allows the proposed use; however the Developer must obtain a special use permit prior to the Closing Date.

SECTION 7. PROJECT BUDGET AND PROOF OF FINANCING.

[Intentionally Omitted]

SECTION 8. CONDITIONS TO THE CITY'S OBLIGATION TO CLOSE.

The obligations of the City under this Agreement are contingent upon each of the following being satisfied at least seven (7) days prior to the Closing Date, or by such other date as may be specified, unless waived or extended in writing by the Commissioner of the Department (the "Commissioner"):

8.1 Final Governmental Approvals. Developer shall have delivered to the City evidence of its receipt of all Governmental Approvals necessary to construct and/or operate the Project.

8.2 Budget and Proof of Financing. [Intentionally Omitted]

8.3 Simultaneous Loan Closing. [Intentionally Omitted]

8.4 Insurance. [Intentionally Omitted]

8.5 Legal Opinion. The Developer shall have delivered to the City a legal opinion stating, in part, that the Developer has been duly organized and that the Developer is duly authorized to enter into this Agreement. Such opinion shall be in a form and substance reasonably acceptable to the City's Corporation Counsel.

8.6 Due Diligence. The Developer shall have delivered to the City due diligence searches in its name (UCC, State and federal tax lien, pending litigation and judgments in Cook County and the U.S. District Court for the Northern District of Illinois, and bankruptcy) showing no unacceptable liens, litigation, judgments or filings, as reasonably determined by the City's Corporation Counsel.

8.7 Organization and Authority Documents. The Developer shall have delivered to the City certified articles of organization, including all amendments thereto, of the Developer, as furnished and certified by the Secretary of State of the State of Illinois; a Certificate of Good Standing dated no more than thirty (30) days prior to the Closing Date, issued by the Office of the Secretary of State of the State of Illinois, as to the good standing of the Developer; and operating agreement, resolutions and such other organizational documents as the City may reasonably request.

8.8 Subordination Agreement. [Intentionally Omitted]

8.9 MBE/WBE and Local Hiring Compliance Plan. [Intentionally Omitted]

8.10 Representations and Warranties. On the Closing Date, each of the representations and warranties of the Developer in this Agreement shall be true and correct.

8.11 Other Obligations. On the Closing Date, the Developer shall have performed all of the other obligations required to be performed by the Developer under this Agreement as of the Closing Date.

8.12 Reconveyance Deed. Prior to the conveyance of the Property to the Developer, the Developer shall deliver to the City a special warranty deed for the Property in recordable form naming the City as grantee ("Reconveyance Deed"), for possible recording in accordance with Section 18.3.d. below, if applicable. After the expiration of the Compliance Period, the City shall return the Reconveyance Deed to Developer.

8.13 Right to Terminate. If any of the conditions in this Section 8 have not been satisfied to the City's reasonable satisfaction within the time period provided for herein, the City may, at its option, terminate this Agreement by delivery of written notice to the Developer at any time after the expiration of the applicable time period, stating the condition or conditions that have not been fulfilled, and this Agreement shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder. Any forbearance by the City in exercising its right to terminate this Agreement upon a default hereunder shall not be construed as a waiver of such right.

SECTION 9. SITE PLANS AND ARCHITECTURAL DRAWINGS.

9.1 [Intentionally Omitted]

9.2 Relocation of Utilities, Curb Cuts and Driveways. [Intentionally Omitted]

9.3 Inspection by the City. [Intentionally Omitted]

9.4 [Intentionally Omitted]

SECTION 10. LIMITED APPLICABILITY.

[Intentionally Omitted]

SECTION 11. COMMENCEMENT AND COMPLETION OF PROJECT.

[Intentionally Omitted]

SECTION 12. CERTIFICATE OF COMPLETION.

[Intentionally Omitted]

SECTION 13. RESTRICTIONS ON USE.

The Developer, for itself and its successors and assigns, agrees as follows:

13.1 During the Compliance Period, as defined in Section 14, the Developer shall use the Property for the Project, and for no other purpose, without the prior written consent of the Department.

13.2 The Developer shall not, in violation of applicable law, discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in the sale, lease, rental, use or occupancy of the Property or any part thereof, except as permitted by applicable law.

SECTION 14. COMPLIANCE PERIOD OBLIGATIONS.

The period commencing on the date of Closing and continuing for 20 years thereafter shall be known as the "Compliance Period." Developer shall have the following obligations during the Compliance Period.

14. A. Operating Covenant

14.A.1 Developer shall operate the Property as a not-for-profit community center. Any other uses must be approved by the Commissioner in his or her sole discretion.

14.A.2 Developer shall continue to provide programs such as summer full day camp, teen mentoring program, Senior workshops, and after school programs during the school year. Students served shall be City of Chicago residents with at least 50% of students coming from the following zip codes: 60619, 60617, 60620 and 60649.

14.B. Compliance Requirements

Commencing one (1) year after the Closing and annually thereafter during the 20 year Compliance Period, the Developer shall submit to the City:

- (a) An annual, notarized, affidavit signed by the Executive Director and Chairman of the Board certifying that during the calendar year, the program services described in 14.A.2 were maintained.
- (b) Verification that property taxes have been paid or an application for tax exemption has been filed and granted.
- (c) An annual, notarized, affidavit signed by the Executive Director and Chairman of the Board certifying the total number of students served and total enrollment numbers for each program provided, as well as verification of students' City residency.

SECTION 15. RESALE AND TRANSFER PROVISIONS.

15.1 After the Closing and during the Compliance Period, the Developer may not, without the City's consent, which shall be at the City's sole discretion: (1) merge, liquidate, or consolidate; (2) directly or indirectly sell, lease (except in the ordinary course of business), or transfer the Property, or permit the direct or indirect transfer of any ownership interests in the Developer; or (3) enter into any transaction outside the ordinary course of business.

15.2 The Developer may not sell or transfer all or any portion of the Property, without the prior written consent of the City. Such consent shall be at the City's sole discretion. All provisions relating to sale of the Property to another entity, new uses, and operating requirements must be reviewed and approved by the City.

15.3 If, during the Compliance Period, the Developer sells the Property at the appraised fair market value, Developer agrees to pay the City a portion of the sales proceeds minus encumbrances (the "City Portion"), as determined by the following schedule. If Developer fails to obtain an appraisal, the City will obtain one and Developer shall reimburse the City for the cost thereof:

Compliance	
Period City	
Portion	
Years 1-5	100%
Years 6-10	75%
Years 11-15	50%
Years 16-20	25%

15.4 After the requirements of the Compliance Period have been met, the Developer shall be entitled to receive all proceeds realized from the sale, transfer, or financing of the Property.

SECTION 16. MORTGAGEES NOT OBLIGATED TO CONSTRUCT

[Intentionally Omitted.]

SECTION 17. COVENANTS RUNNING WITH THE LAND.

The parties agree, and the Deed shall so expressly provide, that the covenants provided in Section 13 (Restrictions on Use), Section 14 (Compliance Period Obligations) and Section 15 (Resale and Transfer Provisions) will be covenants running with the land, binding on the Developer and its successors and assigns to the fullest extent permitted by law and equity for the benefit and in favor of the City, and shall be enforceable by the City. The covenants contained in Section 13.2 shall remain in effect without limitation as to time. The covenants contained in Section 13.1, Section 14 and Section 15 shall terminate at the end of the Compliance Period unless terminated in writing at an earlier date in the sole discretion of the Commissioner.

SECTION 18. PERFORMANCE AND BREACH.

18.1 Time of the Essence. Time is of the essence in the Developer's performance of its obligations under this Agreement.

18.2 Permitted Delays. The Developer shall not be considered in breach of its obligations under this Agreement in the event of a delay due to unforeseeable causes beyond the Developer's control and without the Developer's fault or negligence, including but not limited to, acts of God, acts of the public enemy, acts of the United States government, fires, floods, epidemics, quarantine restrictions, strikes, embargoes, material shortages, and unusually severe weather or delays of contractors or subcontractors due to such causes. The time for the performance of the obligations shall be extended only for the period of the delay and only if the Developer requests it in writing of the City within thirty (30) days after the beginning of any such delay.

18.3 Breach.

a. Generally. If the Developer defaults in performing its obligations under this Agreement, the City shall deliver written notice of such default, after which the Developer shall have a 45-day cure period to remedy such default. If the default is not capable of being cured within the 45-day period, then provided the Developer has commenced to cure the default and is diligently proceeding to cure the default within the 45-day period, and thereafter diligently prosecutes such cure through to completion, then the 45-day period shall be extended for the length of time that is reasonably necessary to cure the default. If the default is not cured in the time period provided for herein, the City may institute such proceedings at law or in equity as may be necessary or desirable to cure and remedy the default, including but not limited to, proceedings to compel specific performance.

No notice or cure period shall apply to a failure to close by the respective dates as set forth in Section 3 herein. Unless the failure to close is due to circumstances described in Section 18.2. above or caused by a breach by the City under the terms of this Agreement, such failure shall constitute an immediate "Event of Default". Failure to close by the dates set forth in Section 3 shall entitle the City to terminate this Agreement.

b. Event of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" after written notice from the City (if required):

1. The Developer fails to perform any obligation of the Developer under this Agreement; which default is not cured pursuant to Section 18.3.a.; or
2. The Developer makes or furnishes a warranty, representation, statement or certification to the City (whether in this Agreement, an Economic Disclosure Form, or another document) which is not true and correct, which default is not cured pursuant to Section 18.3.a.; or
3. A petition is filed by or against the Developer under the Federal Bankruptcy Code or any similar state or federal law, whether now or hereafter existing, which is not vacated, stayed or set aside within thirty (30) days after filing; or
4. Intentionally Omitted.
5. The Developer fails to comply with the operating covenant and compliance requirements set forth in Section 14.A and 14.B. (no notice or cure period shall apply); or
6. Unless being contested in good faith by the Developer, the Developer fails to timely pay real estate taxes or assessments affecting the Property or suffers or permits any levy or attachment, material suppliers' or mechanics' lien, or any other lien or encumbrance

unauthorized by this Agreement to attach to the Property, which default is not cured pursuant to Section 18.3(a); or

7. The Developer makes an assignment, pledge, unpermitted financing, encumbrance, transfer or other disposition in violation of this Agreement (no notice or cure period shall apply); or

8. The Developer's financial condition or operations adversely change to such an extent that would materially affect the Developer's ability to complete and/or operate the Project, which default is not cured pursuant to Section 18.3.a.; or

9. The Developer fails to perform, keep or observe any of the other covenants, promises, agreements, or obligations under this Agreement, including but not limited to, the covenants set forth in Sections 13 and 17 herein, or any other written agreement entered into with the City with respect to this Project, which default is not cured pursuant to Section 18.3.a.; or

10. Failure to close by the Outside Closing Date, unless the Department in its sole discretion extends the Outside Closing Date in accordance with Section 3 of this Agreement.

c. **Prior to Conveyance.** Prior to Closing, if an Event of Default occurs and is continuing, and the default is not cured in the time period provided herein, the City may terminate this Agreement and institute any action or proceeding at law or in equity against the Developer.

d. **After Conveyance.** If an Event of Default occurs after the Closing but prior to the end of the 20-year Compliance Period, and the default is not cured in the time period provided for in this Section 18.3, the City may terminate this Agreement and exercise any and all remedies available to it at law or in equity, including, without limitation, the right to re enter and take possession of the Property, terminate the estate conveyed to the Developer, and revert title to the Property in the City pursuant to the Reconveyance Deed (the "Right of Reverter"); provided, however, the City's Right of Reverter shall be limited by, and shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement. If the Reconveyance Deed is recorded by the City, the Developer shall be responsible for all real estate taxes and assessments which accrued during the period the Property was owned by the Developer, and shall cause the release of all liens or encumbrances placed on the Property during the period of time the Property was owned by the Developer. The Developer will cooperate with the City to ensure that if the City records the Reconveyance Deed, such recording is effective for purposes of transferring title to the Property to the City, subject only to those title exceptions that were on title as of the date and time that the City conveyed the Property to the Developer.

Notwithstanding the foregoing to the contrary, prior to its exercise of its Right of Reverter, the City shall provide written notice to the Developer of its intent to exercise its Right of Reverter, and the Developer shall have an additional ninety (90) days to cure the applicable Event of Default.

The City's Right of Reverter shall terminate upon termination of the Compliance Period.

c. **Waiver and Estoppel.** Any delay by the City in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not operate as a waiver of such rights or operate to deprive the City of or limit such rights in any way. No waiver made by the City with

respect to any specific default by the Developer shall be construed, considered or treated as a waiver of the rights of the City with respect to any other defaults of the Developer.

SECTION 19. CONFLICT OF INTEREST; CITY'S AND DEVELOPER'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

The Developer warrants that no agent, official, or employee of the City shall have any personal interest, direct or indirect, in this Agreement or the Property, nor shall any such agent, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any entity or association in which he or she is directly or indirectly interested. No agent, official, or employee of the City shall be personally liable to the Developer 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 or successor or on any obligation under the terms of this Agreement. It is expressly understood and agreed to by and between the parties hereto, anything herein to the contrary notwithstanding, that no individual member of the Developer, its officers, members of its board of directors, officials, agents, representatives or employees shall be personally liable for any of the Developer's obligations or any undertaking or covenant of the Developer contained in this Agreement.

SECTION 20. INDEMNIFICATION.

The Developer agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) (collectively "Losses") suffered or incurred by the City arising from or in connection with: (1) an Event of Default that has occurred; (2) the failure of the Developer or any of Developer's contractors, subcontractors or agents to pay contractors, subcontractors or material suppliers in connection with the construction of the Project; (3) the failure of the Developer to redress any misrepresentations or omissions in this Agreement or any other agreement relating hereto; and (4) any actions, including but not limited to, conducting environmental tests on the Property as set forth in Section 21 herein, resulting from any activity undertaken by the Developer on the Property prior to or after the conveyance of said Property to the Developer by the City; provided, however, the Developer shall have no obligation to indemnify the City for Losses to the extent such Losses are caused by the City or its agents. This indemnification shall survive any termination of this Agreement (regardless of the reason for such termination).

SECTION 21. ENVIRONMENTAL MATTERS.

The City makes no covenant, representation or warranty as to the environmental condition of the Property or the suitability of the Property for any purpose whatsoever, and the Developer agrees to accept the Property "as is".

It shall be the responsibility of the Developer, at its sole cost and expense, to investigate and determine the soil and environmental condition of the Property. Prior to the date of Closing, Developer may enter the Property owned by the City for the purpose of conducting environmental tests on the Property to determine that the environmental condition of such Property is acceptable. The Developer's activities on such Property shall be limited to those reasonably necessary to perform the environmental testing. Upon completion of the work, the Developer shall restore the Property to its original condition. The Developer shall keep such Property free from any and all liens and encumbrances arising out of any work performed,

materials supplied or obligations incurred by or for the Developer, and agrees to indemnify and hold the City harmless against any such liens.

The Developer will deliver to the City a copy of each report prepared by or for the Developer regarding the environmental condition of the Property. If prior to the Closing, the Developer's environmental consultant determines an environmental or soil condition exists on the Property to such an extent that the Developer determines that it is not satisfied, in its sole reasonable discretion, with the condition of the Property, the Developer may declare this Agreement null and void by giving written notice thereof to the City.

If after the Closing, the environmental condition of the Property is not in all respects entirely suitable for the use to which the Property is to be utilized, it shall be the sole responsibility and obligation of the Developer to take such action as is necessary to put the Property in a condition which is suitable for the intended use of the Property. The Developer agrees to waive, release and indemnify the City from any claims and liabilities relating to or arising from the environmental condition of the Property (including, without limitation, claims arising under CERCLA) and to undertake and discharge all liabilities of the City arising from any environmental condition which existed on the Property prior to the Closing.

A Phase I Environmental Site Assessment (ESA) dated May 18, 2017 and performed by EDI revealed no evidence of recognized environmental conditions in connection with the property. If closing does not take place before November 14, 2017, Developer will be responsible for providing an updated Phase I ESA prior to Closing.

Carnow & Conibear conducted a Hazardous Material Survey and Lead-Based Paint Inspection on June 7 & June 9, 2017. The survey concluded the following:

- Asbestos floor tile in the northwest mechanical room that was delaminated and the loose or delaminated floor tile and the loose or delaminated floor tile should be removed by a licensed contractor.
- Beige lead-based paint present on the pipe located in the southwest storage room and loose or peeling paint should be removed by a licensed contractor.
- All future asbestos removal and/or demolition/renovation work involving asbestos-containing materials and lead-based paint must be performed by a licensed contractor in accordance with City of Chicago, IDPH, EPA, and OSHA regulations and requirements.

The City's Department of Fleet and Facilities Management has reviewed both the Phase I ESA and Hazardous Material Survey and require that the recommendations contained in the Hazardous Material Survey and Lead-Based Paint Inspection be implemented prior to Closing to manage suspected and known asbestos and lead-based paint containing materials.

SECTION 22. DEVELOPER'S EMPLOYMENT OBLIGATIONS.

22.1 Employment Opportunity. [Intentionally Omitted]

SECTION 23. REPRESENTATIONS AND WARRANTIES.

23.1 Representations and Warranties of the Developer. To induce the City to execute this Agreement and perform its obligations hereunder, the Developer hereby represents and warrants to the City that as of the date of this Agreement and as of the Closing Date the following shall be true and correct in all respects:

a. The Developer is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of Illinois with full power and authority to acquire, own and operate the Property, and the person signing this Agreement on behalf of the Developer has the authority to do so.

b. All certifications and statements contained in the Economic Disclosure Statement last submitted to the City by the Developer (and any legal entity holding an interest in the Developer) are true, accurate and complete.

c. The Developer's execution, delivery and performance of this Agreement and all instruments and agreements contemplated hereby will not, upon the giving of notice or lapse of time, or both, result in a breach or violation of, or constitute a default under, any other agreement to which the Developer, or any party affiliated with the Developer, is a party or by which the Developer or the Property is bound.

d. To the best of the Developer's knowledge, no action, litigation, investigation or proceeding of any kind is pending or threatened against the Developer, or any party affiliated with the Developer, and the Developer knows of no facts which could give rise to any such action, litigation, investigation or proceeding, which could: (a) affect the ability of the Developer to perform its obligations hereunder; or (b) materially affect the operation or financial condition of the Developer.

e. To the best of the Developer's knowledge, the Project will not violate: (a) any Laws, including, without limitation, any zoning and building codes and environmental regulations; or (b) any building permit, restriction of record or other agreement affecting the Property.

23.2 Representations and Warranties of the City. To induce the Developer to execute this Agreement and perform its obligations hereunder, the City hereby represents and warrants to the Developer that the City has authority under its home rule powers to execute and deliver this Agreement and perform the terms and obligations contained herein, and the person signing this Agreement on behalf of the City has the authority to do so.

23.3 Survival of Representations and Warranties. Each of the parties agrees that all of its representations and warranties set forth in this Section 23 or elsewhere in this Agreement are true as of the date of this Agreement and will be true in all material respects at all times thereafter, except with respect to matters which have been disclosed in writing and approved by the other party.

SECTION 24. PROVISIONS NOT MERGED WITH DEED.

The provisions of this Agreement shall not be merged with the Deed, and the delivery of the Deed shall not be deemed to affect or impair the provisions of this Agreement.

SECTION 25. HEADINGS.

The headings of the various sections of this Agreement have been inserted for convenient reference only and shall not in any manner be construed as modifying, amending, or affecting in any way the express terms and provisions thereof.

SECTION 26. ENTIRE AGREEMENT.

This Agreement constitutes the entire agreement between the parties and supersedes and replaces completely any prior agreements between the parties with respect to the subject matter hereof. This Agreement may not be modified or amended in any manner other than by supplemental written agreement executed by the parties.

SECTION 27. SEVERABILITY.

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

SECTION 28. NOTICES.

Any notice, demand or communication required or permitted to be given hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) personal service; (b) facsimile transmission, provided that there is written confirmation of such communications; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

If to the City:

City of Chicago
Department of Planning and Development
121 North LaSalle Street
Room 1000 City Hall
Chicago, Illinois 60602
Attn: Commissioner
Fax: 312-744-5892

With a copy to:

City of Chicago
Department of Law
121 North LaSalle Street
Room 600
Chicago, Illinois 60602
Attn: Real Estate Division
Fax: 312-742-0277

If to the Developer:

True to Life Foundation
Attn: Velinda Alexander, Executive Director
1712 East 87th Street
Chicago, IL 60619
Fax: _____

With a copy to:

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means, respectively, provided that such electronic dispatch is confirmed as having occurred prior to 5:00 p.m. on a business day. If such dispatch occurred after 5:00 p.m. on a business day or on a non business day, it shall be deemed to have been given on the next business day. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given.

SECTION 29. SUCCESSORS AND ASSIGNS.

Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall apply to and bind the successors and assigns of the parties.

SECTION 30. TERMINATION.

In the event that the Closing has not occurred by the Outside Closing Date, or any extensions thereof in the Department's sole discretion, defined herein, then the City may terminate this Agreement upon written notice to the Developer.

SECTION 31. RECORDATION OF AGREEMENT.

Either party may record this Agreement at the Office of the Cook County Recorder of Deeds. The party so choosing to record this Agreement shall pay the recording fees.

SECTION 32. CONSENT AND APPROVAL.

Except where otherwise specified, whenever the consent or approval of the City is required hereunder, such consent or approval shall not be unreasonably withheld, conditioned, or delayed.

SECTION 33. OTHER ACTS

The parties agree to perform such other acts and to execute, acknowledge and deliver such other instruments, documents and materials as may be reasonably necessary to consummate the transactions contemplated by this Agreement.

SECTION 34. BUSINESS RELATIONSHIPS.

The Developer acknowledges (1) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (2) that it has read such provision and understands 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 the person with whom an elected official has a Business Relationship, and (3) notwithstanding anything to the contrary contained in this Agreement, 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 hereby represents and warrants that no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

SECTION 35. PATRIOT ACT CERTIFICATION.

The Developer represents and warrants that neither the Developer nor any Affiliate thereof (as defined in the next paragraph) 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.

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to the Developer that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Developer, 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.

SECTION 36. PROHIBITION ON CERTAIN CONTRIBUTIONS – MAYORAL EXECUTIVE ORDER NO. 2011-4.

Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Developer and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (1) after execution of this Agreement by Developer, (2) while this Agreement or any Other Contract is executory, (3) during the term of this Agreement or any Other Contract between Developer and the City, or (4) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Developer represents and warrants that from the later to occur of (1) May 16, 2011, and (2) the date the City approached the Developer or the date the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Developer agrees that it shall not: (1) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (2) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (3) Bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

“Bundle” means to collect contributions from more than one source, which is then delivered by one person to the Mayor or to his political fundraising committee.

“Other Contract” means any other agreement with the City of Chicago to which Developer is a party that is (1) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (2) entered into for the purchase or lease of real or personal property; or (3) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

“Contribution” means a “political contribution” as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are “Domestic Partners” if they satisfy the following criteria:

1. they are each other's sole domestic partner, responsible for each other's common welfare; and
2. neither party is married; and
3. the partners are not related by blood closer than would bar marriage in the State of Illinois; and
4. each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
5. two of the following four conditions exist for the partners:
 - a. The partners have been residing together for at least 12 months.
 - b. The partners have common or joint ownership of a residence.
 - c. The partners have at least two of the following arrangements:
 - i. joint ownership of a motor vehicle;
 - ii. a joint credit account;
 - iii. a joint checking account;
 - iv. a lease for a residence identifying both domestic partners as tenants.
 - d. Each partner identifies the other partner as a primary beneficiary in a will.

“Political fundraising committee” means a “political fundraising committee” as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

SECTION 37. FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS WITH THE CITY.

Failure by Developer or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of the Agreement and the transactions contemplated thereby. Developer shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

SECTION 38. INSPECTOR GENERAL AND LEGISLATIVE INSPECTOR GENERAL

It is the duty of every officer, employee, department, agency, contractor, subcontractor, developer and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the City's Legislative Inspector General and with the City's Inspector General in any investigation or hearing undertaken pursuant to Chapters 2-55 and 2-56, respectively, of the Municipal Code of Chicago. The Developer understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code of Chicago.

SECTION 39. 2011 CITY HIRING PLAN

(a) The City is subject to the June 24, 2011 "City of Chicago Hiring Plan" (the "2011 City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the 2011 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Developer is aware that City policy prohibits City employees from directing any individual to apply for a position with Developer, either as an employee or as a subcontractor, and from directing Developer to hire an individual as an employee or as a subcontractor. Accordingly, Developer must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Developer under this Agreement are employees or subcontractors of Developer, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Developer.

(iii) Developer will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iii) In the event of any communication to Developer by a City employee or City official in violation of subparagraph (ii) above, or advocating a violation of subparagraph (iii) above, Developer will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General (the "OIG"), and also to the head of the relevant City Department utilizing services provided under this Agreement. Developer will also cooperate with any inquiries by the OIG.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on or as of the date first above written.

CITY OF CHICAGO,
an Illinois municipal corporation
and home rule unit of government

By: _____
David L. Reifman
Commissioner
Department of Planning and Development

TRUE TO LIFE FOUNDATION,
An Illinois not-for-profit corporation

By: _____
Name: _____
Its: _____

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____, personally known to me to be the _____ of True to Life Foundation, an Illinois Not-For-profit corporation, 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, being first duly sworn by me, acknowledged that s/he signed and delivered the foregoing instrument pursuant to authority given by said corporation, as her/his free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 20__.

NOTARY PUBLIC

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that David L. Reifman, personally known to me to be the Commissioner of Planning and Development of the City of Chicago, an Illinois municipal corporation, 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 being first duly sworn by me acknowledged that as the Commissioner, he signed and delivered the instrument pursuant to authority given by the City of Chicago, as his free and voluntary act and as the free and voluntary act and deed of the City, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 20__.

NOTARY PUBLIC

EXHIBIT A TO REDEVELOPMENT AGREEMENT

LEGAL DESCRIPTION OF PROPERTY

LOTS 11, 12, 13 AND 14 IN BLOCK 5 IN ADDITION TO CALUMET GATEWAY, A SUBDIVISION OF PART OF CALUMET AND CHICAGO CANAL AND DOCK CO'S SUBDIVISION OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Commonly Known As: 8828 South Stony Island Avenue, Chicago, IL

PINS: 25-02-215-028-0000
25-02-215-029-0000
25-02-215-030-0000
25-02-215-031-0000

EXHIBIT B TO REDEVELOPMENT AGREEMENT

NARRATIVE DESCRIPTION OF PROJECT

The Developer will acquire a former Chicago Public Library Building containing 13,300 square feet, (the “Property”) owned by the City. The Developer is currently leasing the Property from the City. The lease was executed on April 1, 2016 with a lease expiration date of December 31, 2020. Developer has made renovations to the building allowed under the lease, in order to use it as a community center and currently uses the Building to operate a community center. Programs provided include summer full day camp, teen mentoring programs, senior workshops, and after school programs during the school year. The Building will not require any additional renovations and will continue to operate as a community center. However, pursuant to zoning requirements, Developer must obtain a special use permit prior to Closing.