



# City of Chicago



O2010-6958

Office of the City Clerk

## City Council Document Tracking Sheet

<b>Meeting Date:</b>	12/8/2010
<b>Status:</b>	Introduced
<b>Sponsor(s):</b>	Mayor
<b>Type:</b>	Ordinance
<b>Title:</b>	Expression of consent for Class 7(b) tax status appeal
<b>Committee(s) Assignment:</b>	Committee on Economic, Capital and Technology Development



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RICHARD M. DALEY  
MAYOR

December 8, 2010

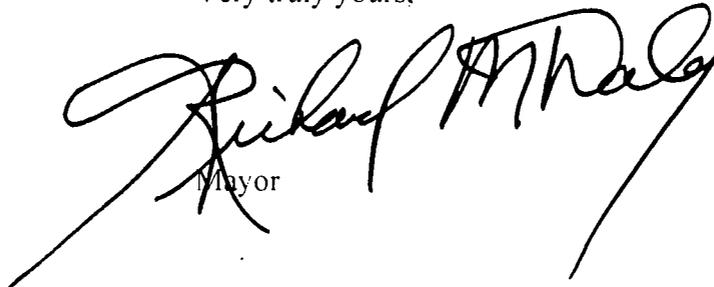
TO THE HONORABLE, THE CITY COUNCIL  
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Community Development, I transmit herewith an ordinance expressing consent for a Class 7(b) tax status appeal.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,



Mayor

## ORDINANCE

**WHEREAS**, the City of Chicago (the "City") is a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois authorized to exercise any power and perform any function pertaining to its government and affairs; and

**WHEREAS**, the Illinois Medical District (the "IMD") owns vacant land located at the 1400 block of South Ashland Avenue and described particularly on Exhibit A attached hereto (the "Project Site"); and

**WHEREAS**, pursuant to ordinances adopted February 5, 1998, and published in the Journal of Proceedings at pages 61204-61411, the City designated the Westem/Ogden Redevelopment Project Area (the "Area") as a redevelopment project area (the "Designation Ordinance") in accordance with the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, approved a Redevelopment Plan (the "Plan") for the Area, and adopted tax increment allocation financing for the Area; and

**WHEREAS**, the objectives of the Plan include strengthening the economic well-being of the Area by increasing taxable values, reducing blight, and providing necessary incentives to encourage business retention, rehabilitation and new development; and

**WHEREAS**, pursuant to the Designation Ordinance, the City Council determined that the Area constituted a blighted area; and

**WHEREAS**, the Project Site is located within the Area; and

**WHEREAS**, pursuant to an ordinance adopted December 23, 1982, and published in the Journal of Proceedings at pages 14288 to 14291, amended most recently by ordinance adopted September 4, 2002, and published in the Journal of Proceedings at pages 92163-92166 (said ordinances and all amendments collectively referred to as the "Enterprise Zone Ordinance"), the City Council established "Enterprise Zone 1" in accordance with the Illinois Enterprise Zone Act, 20 ILCS 665/1, *et seq.*, finding, among other things, that Enterprise Zone 1 is a depressed area; and

**WHEREAS**, the Project Site is located within Enterprise Zone 1; and

**WHEREAS**, the IMD has entered into a ground lease with Costco Wholesale Corporation ("Costco") whereby Costco intends to ground lease and occupy the Project Site, and construct a retail shopping center (the "Project"); and

**WHEREAS**, Costco intends to apply to the Office of the Assessor of Cook County, Illinois (the "Assessor") for designation of the Project Site as Class 7b classification eligible; and

**WHEREAS**, Section 74-65(b) of the Cook County Real Estate Classification Ordinance, as amended, (the "Classification Ordinance"), provides that prior to filing an eligibility

application with the Assessor, an applicant for Class 7b classification must obtain an ordinance or resolution from the municipality in which the real estate is located expressly stating that (a) the municipality has determined that eligibility factors (1) through (5) under Section 74-65(a) of the Classification Ordinance are present, and (b) the municipality supports and consents to the Class 7b application to the Assessor; and

**WHEREAS**, the Department of Community Development of the City of Chicago ("DCD") has reviewed the proposed Project, has determined that it meets the necessary eligibility requirements for Class 7b designation, has determined it is consistent with the Plan, and hereby recommends to City Council that the City expressly determine by ordinance that (a) the required eligibility factors are present, and (b) the City supports and consents to the Class 7b application to the Assessor by Costco for the Project; now, therefore,

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

**SECTION 1.** The above recitals are hereby expressly incorporated as if fully set forth herein.

**SECTION 2.** The City hereby determines that the Project meets eligibility factor (1) under Section 74-65(a) of the Classification Ordinance in that the Project Site is blighted and is located in an area in need of commercial development, as designated by the City in the Designation Ordinance and the Enterprise Zone Ordinance.

**SECTION 3.** The City hereby determines that the Project meets eligibility factor (2) under Section 74-65(a) of the Classification Ordinance in that real estate taxes in the area during the last six years have either declined, remained stagnant and/or potential real estate taxes are not being fully realized due to the depressed condition of the area.

**SECTION 4.** The City hereby determines that the Project meets eligibility factor (3) under Section 74-65(a) of the Classification Ordinance in that there is a reasonable expectation that the Project is viable and likely to go forward on a reasonably timely basis if granted Class 7b designation and will therefore result in the economic enhancement of the area.

**SECTION 5.** The City hereby determines that the Project meets eligibility factor (4) under Section 74-65(a) of the Classification Ordinance in that certification of the Project for Class 7b designation will materially assist development, redevelopment or rehabilitation of the area and the Project would not go forward without the full incentive offered under Class 7b.

**SECTION 6.** The City hereby determines that the Project meets eligibility factor (5) under Section 74-65(a) of the Classification Ordinance in that certification of the Project for Class 7b designation is reasonably expected to ultimately result in an increase in real property tax revenue and employment opportunities within the area.

**SECTION 7.** The City hereby expressly determines that eligibility factors (1) through (5) under Section 74-65(a) of the Classification Ordinance are present for the Project, and hereby

expressly supports and consents to the Class 7b application of Costco to the Assessor for Class 7b designation of the Project and the Project Site.

**SECTION 8.** The Commissioner of DCD (the "Commissioner"), or a designee of the Commissioner, are each hereby authorized to deliver a certified copy of this ordinance to the Assessor and to furnish such additional information as may be required in connection with the filing of the application by Costco with the Assessor for Class 7b designation of the Project.

**SECTION 9.** This ordinance shall be effective from and after its passage and approval.

## EXHIBIT A

### LEGAL DESCRIPTION OF PROJECT SITE

#### PARCEL 1:

LOTS 51 TO 54, BOTH INCLUSIVE, AND LOTS 97 TO 100, BOTH INCLUSIVE, TOGETHER WITH THE 16 FOOT EAST-WEST ALLEY TO BE VACATED ABUTTING SAID LOTS IN STINSON'S SUBDIVISION OF BLOCK 15 OF THE DIVISION OF SECTION 19, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

#### PARCEL 2:

LOTS 50 TO 98, BOTH INCLUSIVE, TOGETHER WITH THE 16 FOOT EAST-WEST ALLEY TO BE VACATED AND THE 16 FOOT NORTH-SOUTH ALLEY TO BE VACATED ABUTTING SAID LOTS IN STINSON'S SUBDIVISION OF BLOCK 16 OF THE DIVISION OF SECTION 19, TOWNSHIP 39 NORTH RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

#### PARCEL 3:

LOTS 1 THROUGH 3, INCLUSIVE, LOT 4 (EXCEPT THE SOUTH 8 FEET OF THE WEST 5.7 FEET THEREOF); THE EAST 18.3 FEET OF LOT 47 AND LOTS 48 THROUGH 59, INCLUSIVE, TOGETHER WITH THAT PART OF THE EAST-WEST 16 FOOT ALLEY TO BE VACATED ABUTTING SAID LOTS IN STINSON SUBDIVISION OF BLOCK 18 IN THE SUBDIVISION OF SECTION 19, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

#### PARCEL 4:

LOTS 1 TO 49, ALL INCLUSIVE, TOGETHER WITH THE EAST-WEST VACATED 16 FOOT ALLEY AND THE NORTH-SOUTH 16 FOOT ALLEY TO BE VACATED, ABUTTING SAID LOTS IN STINSON'S SUBDIVISION OF BLOCK 17 IN THE SUBDIVISION OF SECTION 19, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS

#### PARCEL 5:

LOTS 51 THROUGH 53, ALL INCLUSIVE, AND LOTS 97 THROUGH 100, ALL INCLUSIVE, TOGETHER WITH THE EAST-WEST 16 FOOT ALLEY TO BE VACATED, LYING SOUTH AND ADJOINING LOTS 51, 52 AND 53, ALL IN STINSON'S SUBDIVISION OF BLOCK 18 OF THE DIVISION OF SECTION 19, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN

#### PARCEL 6:

LOTS 50 THROUGH 98, ALL INCLUSIVE, TOGETHER WITH THE VACATED 16 FOOT EAST-WEST ALLEY AND THE NORTH-SOUTH 16 FOOT ALLEY TO BE VACATED ABUTTING SAID LOTS, ALL IN SINTON'S SUBDIVISION OF BLOCK 17 OF THE DIVISION OF SECTION 19, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN

#### PARCEL 7:

ALL OF THAT PART OF PAULINA STREET LYING SOUTH OF THE SOUTH LINE OF HASTINGS STREET AND NORTH OF THE NORTH LINE OF 15TH STREET IN THE EAST 1/2 OF THE

NORTHEAST 1/4 OF SECTION 19, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS; ALSO

ALL THAT PART OF 14TH STREET LYING WEST OF THE WEST LYING OF ASHLAND AVENUE AND EAST OF THE WEST LINE OF LOT 97 IN BLOCK 15 EXTENDED SOUTHERLY TO THE NORTHWEST CORNER OF LOT 4 IN BLOCK 18 ALL IN AFORESAID STINSON'S SUBDIVISION; ALSO

ALL THAT PART OF 14TH PLACE LYING WEST OF THE WEST LINE OF PAULINA STREET AND LYING EAST OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 48 IN BLOCK 18 AND THE NORTHWEST CORNER OF LOT 53 IN BLOCK 18 ALL IN AFORESAID STINSON'S SUBDIVISION; ALSO

ALL THAT PART OF VACATED WEST 14TH PLACE LYING SOUTH OF THE SOUTH LINE OF LOT 30, LYING NORTH OF THE NORTH LINE OF LOT 69, LYING WEST OF A LINE DRAWN FROM THE SOUTHEAST CORNER OF LOT 30 TO THE NORTHWEST CORNER OF LOT 69 AND LYING EAST OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 30 TO THE NORTHWEST CORNER OF LOT 69 IN STINSON'S SUBDIVISION OF BLOCK 17 IN THE SUBDIVISION OF SECTION 19, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AS VACATED BY ORDINANCE RECORDED OCTOBER 5, 2007 AS DOCUMENT 0727860016; ALSO

ALL THAT PART OF WEST 14TH PLACE LYING SOUTH OF THE SOUTH LINE OF LOTS 31 THROUGH 49, ALL INCLUSIVE, LYING NORTH OF THE NORTH LINE OF LOTS 50 THROUGH 68, ALL INCLUSIVE, LYING WEST OF A LINE DRAWN FROM THE SOUTHEAST CORNER OF LOT 31 TO THE NORTHEAST CORNER OF LOT 68 AND LYING EAST OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 49 TO THE NORTHWEST CORNER OF LOT 50 IN STINSON'S SUBDIVISION OF BLOCK 17 IN THE SUBDIVISION OF SECTION 19 AFORESAID AS VACATED BY ORDINANCE RECORDED OCTOBER 5, 2007 AS DOCUMENT 0727860016

PARCEL 8:

ALL THAT PART OF 14TH PLACE LYING EAST OF A LINE DRAWN FROM THE SOUTHEAST CORNER OF LOT 31 TO THE NORTHEAST CORNER OF LOT 68 AND LYING WEST OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 30 TO THE NORTHWEST CORNER OF LOT 69 IN STINSON'S SUBDIVISION OF BLOCK 17 IN THE SUBDIVISION OF SECTION 19, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PINs

---

17-19-214-021-0000	17-19-215-005-0000	17-19-215-016-0000
17-19-214-022-0000	17-19-215-006-0000	17-19-215-017-0000
17-19-214-023-0000	17-19-215-007-0000	17-19-215-018-0000
17-19-214-044-0000	17-19-215-008-0000	17-19-215-019-0000
17-19-214-045-0000	17-19-215-009-0000	17-19-215-020-0000
17-19-214-046-0000	17-19-215-010-0000	17-19-215-021-0000
17-19-214-047-0000	17-19-215-011-0000	17-19-215-022-0000
17-19-215-001-0000	17-19-215-012-0000	17-19-215-023-0000
17-19-215-002-0000	17-19-215-013-0000	17-19-215-024-0000
17-19-215-003-0000	17-19-215-014-0000	17-19-215-025-0000
17-19-215-004-0000	17-19-215-015-0000	17-19-215-026-0000

17-19-215-027-0000	17-19-219-017-0000	17-19-220-041-0000
17-19-215-028-0000	17-19-219-019-0000	17-19-220-042-0000
17-19-215-029-0000	17-19-219-020-0000	17-19-221-001-0000
17-19-215-030-0000	17-19-219-021-0000	17-19-221-002-0000
17-19-215-031-0000	17-19-219-022-0000	17-19-221-003-0000
17-19-215-032-0000	17-19-219-023-0000	17-19-221-004-0000
17-19-215-033-0000	17-19-219-024-0000	17-19-221-005-0000
17-19-215-034-0000	17-19-219-025-0000	17-19-221-006-0000
17-19-215-035-0000	17-19-219-026-0000	17-19-221-007-0000
17-19-215-036-0000	17-19-219-027-0000	17-19-221-008-0000
17-19-215-037-0000	17-19-219-028-0000	17-19-221-009-0000
17-19-215-038-0000	17-19-219-029-0000	17-19-221-010-0000
17-19-215-039-0000	17-19-219-030-0000	17-19-221-011-0000
17-19-215-040-0000	17-19-219-031-0000	17-19-221-012-0000
17-19-215-041-0000	17-19-219-032-0000	17-19-221-013-0000
17-19-215-042-0000	17-19-219-033-0000	17-19-221-014-0000
17-19-218-021-0000	17-19-219-034-0000	17-19-221-015-0000
17-19-218-022-0000	17-19-219-035-0000	17-19-221-016-0000
17-19-218-042-0000	17-19-219-036-0000	17-19-221-017-0000
17-19-218-043-0000	17-19-219-037-0000	17-19-221-018-0000
17-19-218-044-0000	17-19-219-038-0000	17-19-221-019-0000
17-19-218-045-0000	17-19-219-039-0000	17-19-221-020-0000
17-19-218-046-0000	17-19-219-040-0000	17-19-221-021-0000
17-19-219-001-0000	17-19-219-041-0000	17-19-221-022-0000
17-19-219-002-0000	17-19-219-042-0000	17-19-221-023-0000
17-19-219-003-0000	17-19-219-043-0000	17-19-221-024-0000
17-19-219-004-0000	17-19-219-044-0000	17-19-221-025-0000
17-19-219-006-0000	17-19-219-045-0000	17-19-221-026-0000
17-19-219-007-0000	17-19-219-048-0000	17-19-221-027-0000
17-19-219-008-0000	17-19-219-049-0000	17-19-221-028-0000
17-19-219-010-0000	17-19-219-050-0000	17-19-221-029-0000
17-19-219-011-0000	17-19-219-051-0000	17-19-221-030-0000
17-19-219-012-0000	17-19-220-020-0000	17-19-221-033-0000
17-19-219-013-0000	17-19-220-021-0000	17-19-221-034-0000
17-19-219-014-0000	17-19-220-022-0000	17-19-221-035-0000
17-19-219-015-0000	17-19-220-039-0000	17-19-221-036-0000
17-19-219-016-0000	17-19-220-040-0000	17-19-221-037-0000

17-19-221-038-0000

17-19-221-039-0000

17-19-221-042-0000

17-19-221-043-0000

17-19-221-044-0000

17-19-221-045-0000

17-19-221-046-0000

17-19-221-047-0000

17-19-221-048-0000

17-19-221-049-0000

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

**SECTION I -- GENERAL INFORMATION**

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

Costco Wholesale Corporation

Check **ONE** of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1.  the Applicant

**OR**

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

**OR**

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

**B. Business address of the Disclosing Party:**

999 Lake Drive

Issaquah, WA 98027

**C. Telephone:** (703) 406-6858 **Fax:** (703) 406-6835 **Email:** gthomas@costco.com

**D. Name of contact person:** Gordon Thomas

**E. Federal Employer Identification No. (if you have one):** 911 223280

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

Approval of ordinance finding eligibility conditions for Class 7b property tax incentive are present, and supporting and consenting to Class 7b incentive for property bounded by West Hastings St., South Ashland Ave., West 15th St. and the CTA rail lines next west of and parallel to South Paulina St.

**G. Which City agency or department is requesting this EDS?** Department of Community Development

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

Specification # \_\_\_\_\_ and Contract # \_\_\_\_\_

**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF THE DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:

- Person
  - Publicly registered business corporation
  - Privately held business corporation
  - Sole proprietorship
  - General partnership
  - Limited partnership
  - Trust
  - Limited liability company
  - Limited liability partnership
  - Joint venture
  - Not-for-profit corporation
- (Is the not-for-profit corporation also a 501(c)(3))?
- Yes                       No
- Other (please specify)
- 

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

Washington

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

- Yes                       No                       N/A

**B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:**

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

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

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

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

Name	Title
------	-------

Please see attached list of officers and directors.

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

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

Name	Business Address	Percentage Interest in the Disclosing Party
<hr/> <p>No person or entity has a direct or indirect beneficial interest in excess of 7.5%.</p> <hr/> <hr/>		

**SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS**

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

Yes                       No

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

---

---

**SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES**

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

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

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

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

See attached list of subcontractors and other retained parties.

---



---



---

(Add sheets if necessary)

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

**SECTION V -- CERTIFICATIONS**

**A. COURT-ORDERED CHILD SUPPORT COMPLIANCE**

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

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

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

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

[ ] Yes            [ ] No

**B. FURTHER CERTIFICATIONS**

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

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

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

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

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

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

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

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

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

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

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

---

N/A

---

---

---

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

**C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION**

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

is  is not

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

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

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

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

---

---

---

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

**D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS**

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

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

Yes  No

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

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

Does the Matter involve a City Property Sale?

Yes                       No                      N/A

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

Name	Business Address	Nature of Interest

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

**E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS**

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

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

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

---

---

---

---

**SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS**

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

**A. CERTIFICATION REGARDING LOBBYING**

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

N/A

---

---

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

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

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

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

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

**B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY**

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

Is the Disclosing Party the Applicant?

Yes                       No                      N/A

If "Yes," answer the three questions below:

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

Yes                       No

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

Yes                       No

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

Yes                       No

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

---

This matter is not federally funded.

---

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

The Disclosing Party understands and agrees that:

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

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

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

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

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

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

The Disclosing Party represents and warrants that:

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

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

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

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

**CERTIFICATION**

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

Costco Wholesale Corporation

(Print or type name of Disclosing Party)

By: *Margaret McCulla*  
(Sign here)

**MARGARET C. McCULLA  
ASSISTANT SECRETARY**

(Print or type name of person signing)

(Print or type title of person signing)

Signed and sworn to before me on (date) 12-2-2010,  
at Loudoun County, Virginia (state).

*Linda R. Blue* Notary Public

Commission expires: 9/30/2013



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

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS**

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

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

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

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

Yes

No

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

---

---

---

## DIRECTORS AND OFFICERS

### DIRECTORS

Jeffrey H. Brotman  
Chairman of the Board, Costco

Dr. Benjamin S. Carson, Sr., M.D.  
Director of Pediatric Neurosurgery, Johns Hopkins University

Susan L. Decker  
Entrepreneur-in-Residence (EIR) at Harvard Business School; Former President of Yahoo! Inc.

Richard D. DiCerchio  
Former Senior Executive Vice President & COO, Costco

Daniel J. Evans  
Chairman, Daniel J. Evans Associates; Former U.S. Senator and Governor of the State of Washington

Richard A. Galanti  
Executive Vice President and Chief Financial Officer, Costco

William H. Gates  
Co-Chair of the Bill and Melinda Gates Foundation

Hamilton E. James  
President and Chief Operating Officer, The Blackstone Group

W. Craig Jelinek  
President and Chief Operating Officer, Costco

Richard M. Libenson  
Former COO and Vice Chairman of the Board, The Price Company

John W. Meisenbach  
President of MCM, A Meisenbach Company

Charles T. Munger  
Vice Chairman of the Board of Berkshire Hathaway, Inc.; Chairman of the Board of Daily Journal Corporation; and Chairman and CEO of Wesco Financial Corporation

Jeffrey S. Raikes  
CEO of the Bill and Melinda Gates Foundation

Jill S. Ruckelshaus  
Director, Lincoln National Corporation

James D. Sinegal  
Chief Executive Officer, Costco

### EXECUTIVE AND SENIOR OFFICERS

Joel Benoliel  
Senior Vice President, Administration & Chief Legal Officer

Andree Brien  
Senior Vice President, Merchandising – Non-Foods & Ecommerce – Canadian Division

Jeffrey H. Brotman  
Chairman of the Board

Don Burdick  
Senior Vice President, Special Projects

Charles V. Burnett  
Senior Vice President, Pharmacy

Roger A. Campbell  
Senior Vice President, General Manager – Southeast Region

Richard C. Chavez  
Senior Vice President, Costco Wholesale Industries & Business Development

Victor A. Curtis  
Senior Vice President, Pharmacy

John B. Gaherty  
Senior Vice President, General Manager – Midwest Region

Richard A. Galanti  
Executive Vice President, Chief Financial Officer

Jaime Gonzalez  
Senior Vice President, General Manager – Mexico

Bruce Greenwood  
Senior Vice President, General Manager – Los Angeles Region

Robert D. Hicok  
Senior Vice President, General Manager – San Diego Region

Dennis A. Hoover  
Senior Vice President, General Manager – Bay Area Region

W. Craig Jelinek  
President and Chief Operating Officer

Dennis E. Knapp  
Senior Vice President, Merchandising – Non-Foods

Franz Lazarus  
Senior Vice President, Administration – Global Operations

Jeffrey R. Long  
Senior Vice President, General Manager – Northeast Region

Jeffrey Lyons  
Senior Vice President, Merchandising – Fresh Foods

John Matthews  
Senior Vice President, Human Resources & Risk Management

John D. McKay  
Executive Vice President, COO – Northern Division

Russ Miller  
Senior Vice President, General Manager – Western Canada Region

Ali Moayeri  
Senior Vice President, Construction

Paul G. Moulton  
Executive Vice President, Chief Information Officer

James P. Murphy  
Executive Vice President, International Operations

David S. Petterson  
Senior Vice President, Corporate Controller

Joseph P. Portera  
Executive Vice President, COO – Eastern & Canadian Divisions

Pierre Riel  
Senior Vice President, General Manager – Eastern Canada Region

Ginnie Roeglin  
Senior Vice President, Ecommerce & Publishing

Timothy L. Rose  
Senior Vice President, Merchandising – Foods & Sundries

Douglas W. Schutt  
Executive Vice President, COO – Merchandising

James D. Sinegal  
Chief Executive Officer

John Thelan  
Senior Vice President, Operations – Depots

Louise Wending  
Senior Vice President, Country Manager – Canada

Dennis R. Zook  
Executive Vice President, COO – Southwest Division & Mexico

Ron M. Vachris  
Senior Vice President, General Manager – Northwest Region

City of Chicago  
Economic Disclosure Statement and Affidavit  
(Section IV)  
Disclosing Party: Costco Wholesale Corporation

Name	Business Address	Relationship to Disclosing Party	Fees (estimated)
DLA Piper LLP (US)	203 N. LaSalle Street Suite 1900 Chicago, IL 60601	Attorney	\$15,000
TJ Design Strategies	2311 West 22nd Street Suite 208 Oak Brook, IL 60523	Design Consultant	\$30,000
Mulvanny G2 Architecture	1110 112th Avenue NE Bellevue, WA 98004	Architect	\$20,000
Laube Companies	200 S. Wacker Drive Suite 3100 Chicago, IL 60606	Financial Consultant	\$20,000

COSTCO WHOLESALE CORPORATION  
OFFICER'S CERTIFICATE

I, MARGARET C. MCCULLA, ASSISTANT SECRETARY of Costco Wholesale Corporation, a Washington corporation (the "Corporation"), hereby certify that the following resolutions were duly adopted by the unanimous consent of the Board of Directors of the Company on November 3, 2000 and that such resolutions have not been modified or amended and remain in full force and effect as of the date hereof:

RESOLVED, that any one of the Chairman, the President, any Senior Vice President, the Secretary, the Treasurer, or any Assistant Secretary of the Corporation is hereby authorized to execute any and all documents regarding the acquisition, leasing, sale or development of real property, including, without limitation, the execution of purchase agreements, deeds, escrow instructions, leases, closing statements, easements, deeds of dedication, restrictive covenants and construction agreements.

FURTHER RESOLVED, that all prior acts by such officers with regard to corporate banking matters, the acquisition, leasing, sale or development of real property, and any other such acts entered into are hereby ratified.

I further certify that I am an Assistant Secretary of the Corporation.

Dated this 2ND day of December, 2010.

  
(Signed Name)

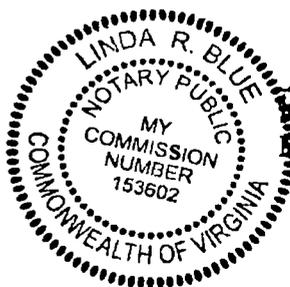
MARGARET C. MCCULLA  
(Printed Name)

ASSISTANT SECRETARY  
(Title)

State of Virginia \_\_\_\_\_,

County of Loudoun \_\_\_\_\_,

On this 2nd day of December, 2010, then personally appeared before me the above named MARGARET C. MCCULLA, as ASSISTANT SECRETARY of COSTCO WHOLESALE CORPORATION, and acknowledged the foregoing instrument to be the free act and deed of the corporation.



  
Notary Public  
My Commission Expires: 9/30/2013