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OFFICE OF THE MAYOR
CITY OF CHICAGO
RAHM EMANUEL
MAYOR

July 6, 2011

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

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development. I transmit herewith ordinances authorizing the sale of City owned property.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Mayor

ORDINANCE

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

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

WHEREAS, pursuant to an ordinance adopted by the City Council ("City Council") of the City on March 11, 1998, and published at pages 63060 through 63140 in the Journal of the Proceedings of the City Council ("Journal") of such date, a certain redevelopment plan (the "TIF Plan") for the West Pullman Industrial Park Conservation Area (the "TIF Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et sec.) (the "Act"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on March 11, 1998, and published at pages 63141 through 63146 in the Journal of such date, the TIF Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on March 11, 1998, and published at pages 63146 through 63153 in the Journal of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain TIF Area redevelopment project costs (as defined in the Act) incurred pursuant to the TIF Plan; and

WHEREAS, the City is the owner of the real property and improvements located at 11914 S. Peoria Street, Chicago, Illinois, 60643, as legally described on Exhibit A attached hereto (the "City Property"), which is located in the TIF Area; and

WHEREAS, the City Property is comprised of approximately 49,904 square feet (1.1456 acres), and is improved with a 52,223 square foot partial two-story masonry industrial building with approximately 10,000 square feet of space located on the second floor (the "Building"); and "

WHEREAS, Reneau Commercial Properties, LLC, an Illinois limited liability company (the "Developer"), has submitted a proposal to the City's Department of Housing and Economic Development (the "Department") to purchase the City Property for One Dollar (\$1.00), which is \$129,999 less than its fair market value of \$130,000; and

WHEREAS, the Developer has proposed to rehabilitate the Building and to relocate and expand the Developer's existing food production manufacturing and distribution operations (the "Project"); and

WHEREAS, the City is willing to convey the City Property to the Developer provided that the Developer completes such rehabilitation and expansion; and

WHEREAS, the Project is consistent with the purposes and objectives of the TIF Plan;
and

WHEREAS, the Developer has agreed to undertake the Project in accordance with the TIF Plan and pursuant to the terms and conditions of a redevelopment agreement in substantially the form attached hereto as Exhibit B (the "Redevelopment Agreement"); and

WHEREAS, by Resolution No. 30-CDC-11, adopted on June 14, 2011, the CDC authorized the Department to

advertise its intention to enter into a negotiated sale with the Developer for the redevelopment of the City Property, approved the Department's request to advertise for alternative proposals, and approved the sale of the City Property to the Developer if no alternative proposals were received; and) •

WHEREAS, public notices advertising the Department's intent to enter into a negotiated sale of the City Property to the Developer and requesting alternative proposals appeared in the Chicago Sun-Times on June 16, 23 and 30, 2011; and

WHEREAS, no other responsive proposals were received by the deadline indicated in the aforesaid 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 City 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 the Redevelopment Agreement with the Developer. The Commissioner or the Acting Commissioner of the Department (the "Commissioner") or a designee of the Commissioner is each hereby authorized, with the approval of the City's Corporation Counsel, 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 is authorized to attest, a quitclaim deed conveying the City Property to the Developer, or to a land trust of which the Developer is the sole beneficiary, or to an entity of which the Developer is the sole controlling party or to an entity which is comprised of the same principal parties as the Developer, subject to those covenants, conditions and restrictions set forth in the Redevelopment Agreement.

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 in conflict with this ordinance are hereby repealed to the extent of such conflict.

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

EXHIBIT A LEGAL DESCRIPTION OF CITY PROPERTY

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

LOT 1 IN THE SUBDIVISION OF THAT PART OF THE RESUBDIVISION OF BLOCK 2, LYING SOUTH OF THE ALLEY (EXCEPT THE C.W.P. & S. RAILROAD RIGHT OF WAY AND THE C.R.I. & P. RAILROAD FREIGHT HOUSE GROUNDS), ALSO A SUBDIVISION OF BLOCKS 5, 6 AND 7 AS FORMERLY PLATTED IN THE FIRST ADDITION TO WEST PULLMAN, INCLUDING THE ILLINOIS CENTRAL RAILROAD CENTER AVENUE STATION AT THE SOUTHWEST CORNER OF SAID BLOCK 5, AND INCLUDING ABERDEEN STREET AND MORGAN STREET (VACATED), LYING BETWEEN 120TH STREET AND THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY, ALL BEING IN THE FIRST ADDITION TO WEST PULLMAN IN THE NORTHEAST 1/4 OF SECTION 29, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 11914 S. PEORIA STREET

CHICAGO, ILLINOIS 60643

PERMANENT INDEX NO. 25-29-201-020

EXHIBIT B REDEVELOPMENT AGREEMENT

(ATTACHED)

AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND

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(The Above Space For Recorder's Use Only)

This AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND

("Agreement") is made on or as of the _day of. _, 20_ (the "Effective Date"), by and between the CITY OF CHICAGO, an Illinois municipal corporation ("City"), acting by and through its Department of Housing and Economic Development ("HEP"), having its principal offices at City Hall, Room 1000, 121 North LaSalle Street, Chicago, Illinois 60602 and RENEAU COMMERCIAL PROPERTIES, LLC, an Illinois limited liability company (the "Developer"), whose offices are located at 6122 South Dorchester Avenue,

Chicago, IL 60637.

RECITALS

WHEREAS, the Developer desires to purchase from the City the real property and improvements located at 11914 S. Peoria Street, Chicago, Illinois, 60643, as legally described on Exhibit A attached hereto (the "City Property"); and

WHEREAS, the City Property is comprised of approximately 49,904 square feet (1.1456 acres), and is improved with a 52,223 square foot partial two-story masonry industrial building with approximately 10,000 square feet of space located on the second floor (the "Building"); and

WHEREAS, the Building has remained vacant since it was donated to the City in 2004; and

WHEREAS, the City Property is located in the West Pullman Industrial Park Conservation Area (the "TIF Area"), as created by ordinances adopted on March 11, 1998 and published at pages 63060 through 63153 in the Journal of the Proceedings of the City Council (the "Journal") of such date; and

WHEREAS, the Developer wishes to rehabilitate, or cause to be rehabilitated, the Building, and to relocate and expand the Developer's food product manufacturing and distribution operations to the Building (as more fully described in Section 2 below, the "Project"); and j

WHEREAS, the appraised value of the City Property is approximately \$130,000; and .

WHEREAS, the City has agreed to a negotiated sale of the City Property to the Developer for \$1.00 in consideration of the Developer's obligation to complete such rehabilitation and expansion; and

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WHEREAS, the Project is consistent with that certain redevelopment plan for the TIF Area (the "TIF Plan"); and

WHEREAS, it is anticipated that the Project will create twenty (20) permanent office and manufacturing jobs; and

WHEREAS, the City has shared the Limited Phase II Environmental Site Assessment Report, dated January 9, 2004, commissioned by the City's Department of Environment, with the Developer and it will be the responsibility of the Developer to complete any remediation that may be required by the City or the Illinois Environmental Protection Agency; and

WHEREAS, the City Council, pursuant to an ordinance adopted on_, 2011, and published at pages_through_in the Journal of such date (the "Project Ordinance"), authorized the sale of the City Property to the Developer, subject to the execution, delivery and recording of this Agreement; and

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 foregoing recitals 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. DEFINITIONS.

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

"Affiliate" has the meaning set forth in Section 28.

"Agent" means any contractor, subcontractor or other agent, entity or individual acting under the control or at the request of the Developer or the Developer's contractors.

"Architect" means Ray/Dawson, P.C.

"Budget" has the meaning set forth in Section 9.

"Certificate of Completion" has the meaning set forth in Section 14.

"City Parties" means the City, and its officers, employees and agents.

"City Property" has the meaning set forth in the Recitals.

"Closing" means the closing of the transaction contemplated by this Agreement

"Closing Date" has the meaning set forth in Section 5.

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"Construction Program" has the meaning set forth in Section 24.3(a).

"Corporation Counsel" means the City's Office of Corporation Counsel. "Deed" has the meaning set forth in Section 6.1.

"Developer Parties" means the Developer and its current and former officers, directors, employees, Agents, attorneys, predecessors, successors and assigns.

"Earnest Money" has the meaning set forth in Section 4.1.

"Effective Date" means the date set forth in the Preamble.

"Employer(s)" has the meaning set forth in Section 24.1.

"Environmental Laws" means any and all Laws relating to the regulation and protection of human health, safety, the environment and natural resources now or hereafter in effect, as amended or supplemented from time to time, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136-et-seg., the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., any and all regulations promulgated under such Laws, and all analogous state and local counterparts or equivalents of such Laws, including, without limitation, the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq., and the common law, including, without limitation, trespass and nuisance.

"Equity" means funds of the Developer (other than funds derived from Lender Financing) irrevocably available for the Project.

"Event of Default" has the meaning set forth in Section 20.2.

"Governmental Approvals" has the meaning set forth in Section 8.

"Hazardous Substances" " means any substance or material, in any form, which at any time is listed as hazardous or toxic in or regulated under any Environmental Law or which has been or shall be determined at any time by any governmental agency or court to be a hazardous or toxic substance regulated under any Environmental Law., including without limitation polychlorinated biphenyls (PCBs), petroleum or any petroleum-based or petroleum-derived products, lead paint, asbestos or asbestos-containing materials, urea formaldehyde, radioactive materials and mold.

"Human Rights Ordinance" has the meaning set forth in Section 24.1(a).

"Laws" means all applicable federal, state, local or other laws (including common law), statutes, codes, ordinances, rules, regulations or other requirements, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders, consent decrees or judgments, including, without limitation, Sections 7-28 and 11-4 of the Municipal Code of

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Chicago relating to waste disposal.

"Lender Financing" means any funds borrowed by the Developer from lenders and irrevocably available to pay for costs of the Project.

"Losses" means any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs and expenses (including, without limitation, Remediation Costs, reasonable attorney's fees and expenses, consultants' fees and expenses and court costs).

"MBE/WBE Program" has the meaning set forth in Section 24.3(a).

"Outside Closing Date" has the meaning set forth in Section 5.

"Performance Deposit" has the meaning set forth in Section 4.2.

"Plans" has the meaning set forth in Section 11.1.

"Preliminary Project Budget" has the meaning set forth in Section 9.

"Procurement Program" has the meaning set forth in Section 24.3(a).

"Project" means (i) the rehabilitation of the Building, including the replacement of exterior doors and east and north elevation windows, and improving and adding to the landscaping in front of and behind the Building, and (ii) the relocation and expansion of the Developer's existing food product manufacturing and distribution operations to the Building. Access to the building will continue to be the front entrance and two large front

loading docks. An alley immediately to the north of the building will provide access to a rear loading dock. The project will achieve LEED certification and will include energy and cost efficient equipment such as boilers and cookers.

"Project Ordinance" has the meaning set forth in the Recitals. "Proof of Financing" has the meaning set forth in Section 9. "Purchase Price" has the meaning set forth in Section 3. "Released Claims" has the meaning set forth in Section 23.3.

"Remediation Costs" means .response costs incurred by a governmental or regulatory body, natural resource damages, and the costs of any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the City Property or any improvements, facilities or operations located or formerly located thereon.

"TIF Area" has the meaning set forth in the Recitals.

"TIF Plan" has the meaning set forth in the Recitals.

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"Title Company" means Greater Illinois Title Company.

"Title Commitment" means a commitment for an owner's policy of title insurance for the City Property, Order No. 1301 004386169, with an effective date of January 7, 2009, issued by the Title Company.

"Title Policy" means a title insurance policy issued by the Title Company in the most recently revised ALTA or equivalent form, showing the Developer as the named insured with respect to the City Property, noting the recording of this Agreement and a subordination agreement with respect to any Lender Financing for the Project (as described in Section 10.10 below) as encumbrances against the City Property.

SECTION 3. PURCHASE PRICE.

The City hereby agrees to sell, and the Developer hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the City Property, for the sum of One Dollar (\$1.00) ("Purchase Price"), to be paid to the City at the Closing in cash or by certified or cashier's check. Except as specifically provided herein to the contrary, the Developer shall pay all escrow fees and other title insurance fees and closing costs. The Developer acknowledges that the Purchase Price is \$129,999 less than the fair market value of the City Property and that the City has only agreed to sell the City Property to the Developer for the Purchase Price because the Developer has agreed to execute this Agreement and comply with its terms and conditions, including, without limitation, Section 15.

SECTION 4. EARNEST MONEY AND PERFORMANCE DEPOSIT.

4.1 Earnest Money. The City acknowledges that the Developer has deposited with HED the amount of Six Thousand Five Hundred and 00/100 Dollars (\$6,500.00) ("Earnest Money"), which shall be credited against the Purchase Price at the Closing (as defined in Section 5 below).

4.2 Performance Deposit. The City acknowledges that the Developer has deposited with HED the amount of Six Thousand Five Hundred and 00/100 Dollars (\$6,500.00), as security for the performance of its obligations under this Agreement ("Performance Deposit"), which the City will retain until the City issues the Certificate of Completion.

4.3 Interest. The City will pay no interest to the Developer on the Earnest Money or Performance Deposit.

SECTION 5. CLOSING.

The Closing shall take place at the downtown offices of the Title Company within thirty (30) days after the Developer has satisfied all conditions precedent set forth in Section 10 hereof, unless HED, in its sole discretion, waives such conditions (the "Closing Date"); provided, however, in no event shall the Closing occur any later than March 15, 2012 (the "Outside Closing Date"), unless HED, in its sole discretion, extends such Outside Closing Date in accordance with Section 13. On or before the Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement.

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SECTION 6. CONVEYANCE OF TITLE.

6.1 Form of City Deed. The City shall convey the City 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) the TIF Plan for the TIF Area;
- (b) the standard exceptions in an ALTA title insurance policy;

- (c) . general real, estate taxes and any special assessments or other taxes;
 - (d) all easements, encroachments, covenants and restrictions of record and not shown of record;
 - (e) such either title defects as may exist; and
 - (f) any and all exceptions caused by the acts of the Developer or its Agents.
- 6.2 Recording Costs. The Developer shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the City Property to the Developer.

SECTION 7. TITLE AND SURVEY.

The Developer acknowledges that it has received a Title Commitment for the City Property from the City. The Developer shall be solely responsible for and shall pay all costs associated with updating the Title Commitment or obtaining a new title commitment (including all search,, continuation and later-date fees), and obtaining the Title Policy and any endorsements it deems necessary. The Developer shall also be responsible for and shall pay all costs associated with obtaining any survey it deems necessary. The City shall have no obligation to cure title defects; provided, however, if there are exceptions for general real .estate tax liens attributable to taxes due and payable prior to the Closing Date with respect to the City Property, the City shall submit to the county a tax abatement letter and/or file a certificate of, error application with the Cook County Assessor's office, tax injunction complaint in the Circuit Court of Cook County or motion to vacate a tax sale in the Circuit Court of Cook County, seeking the exemption or waiver of such pre-closing tax liabilities, but shall have no further duties with respect to any. such taxes. If, after taking the foregoing actions, the City Property remains subject to any tax liens, or if the City Property is encumbered with any other exceptions that would adversely affect the use and insurability of the City Property for the development of the Project, the Developer shall have the option to do one of the following: (a) accept title to the City Property subject to the exceptions, without reduction in the Purchase Price; or (b) terminate this Agreement by delivery of written notice to the" City prior to the Closing, in which event the City shall return the Earnest Money and Performance Deposit to the Developer, 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. The Developer shall be responsible for all taxes accruing after the Closing

SECTION 8. BUILDING PERMITS AND OTHER GOVERNMENTAL APPROVALS.

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The Developer shall apply for all necessary building permits and other required permits and approvals ("Governmental Approvals") for the Project within two (2) months after passage and approval of the Project Ordinance, unless HED, in its sole discretion, extends such application date, and shall pursue such Governmental Approvals in good faith and with all due diligence.

SECTION 9. PROJECT BUDGET AND PROOF OF FINANCING.

The Developer has furnished to HED, and HED has approved, a preliminary project budget showing total costs for the construction of the Project in the amount of \$1,496,000 (the "Preliminary Project Budget"). The Developer hereby certifies to the City that the Preliminary Project Budget is true, correct and complete in all material respects. Not less than fourteen (14) days prior to the Closing Date, the Developer shall submit to HED for approval a final project budget materially consistent with the Preliminary Project Budget ("Budget") and proof reasonably acceptable to the City that the Developer has.Equity and Lender Financing in amounts adequate to complete the Project and satisfy its obligations under this Agreement ("Proof of Financing"). The Proof of Financing shall include binding commitment letters from the Developer's lenders, if any, and evidence of the Developer's ability to make an equity contribution in the amount of any gap in financing.

SECTION 10. CONDITIONS TO THE CITY'S OBLIGATIONS.

The obligations of the City under this Agreement are contingent upon the delivery or satisfaction of each of the following items (unless waived by HED in its sole discretion) at least fourteen (14) days prior to the Closing Date, unless another time period is specified below:

10.1 Final Governmental Approvals. The Developer has submitted to HED, and HED has approved, evidence that it has applied for all necessary Governmental Approvals to complete the Project.

10.2 Budget and Proof of Financing. The Developer has submitted to HED, and HED has approved, the Budget and Proof of Financing for the Project in accordance with the provisions of Section 9 hereof. The Developer has furnished proof that the proceeds of the Lender Financing, if any, are available to be drawn upon by the Developer as needed and are sufficient (along with any Eguity) to complete the Project. The

Developer has delivered to HED a copy of the construction escrow agreement, if any, entered into by the Developer regarding the Lender Financing. On or prior to the Closing Date, the Developer shall close all Lender Financing, and be in a position to immediately commence construction of the Project.

10.3 Plans. The Developer has submitted to HED, and HED has approved, the Plans in accordance with the provisions of Section 11.1 hereof.

10.4 Insurance. The Developer has submitted to the City, and the City has approved, evidence of insurance reasonably acceptable to the City. The City shall be named as an additional insured on all liability insurance policies and as a loss payee (subject to the prior rights of any first mortgagee) on all property insurance policies from the Closing Date through the date the City issues a Certificate of Completion for the Project. With respect to property insurance, the City will accept either a 2003 ACORD 28 form, or a 2006 ACORD 28 form with a policy endorsement showing the City as a loss payee. With respect to liability insurance, the

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City will accept an ACORD 25 form, together with a copy of the endorsement that is added to the Developer's policy showing the City as an additional insured.

10.5 Legal Opinion. The Developer has submitted to the Corporation Counsel, and the Corporation Counsel has approved, a legal opinion in a form reasonably acceptable to the City.

10.6 Due Diligence, the Developer has submitted to the Corporation Counsel the following due diligence searches in their names, showing no unacceptable liens, litigation, judgments or filings, as reasonably determined by the Corporation Counsel:

- (a) Bankruptcy Search, U. S. Bankruptcy Court for the N.D. Illinois;
- (b) Pending Suits and Judgments, U. S. District Court for the N.D. Illinois;
- (c) Federal Tax Lien Search, Illinois Secretary of State;
- (d) UCC Search, Illinois Secretary of State;
- (e) UCC Search, Cook County Recorder;
- (f) Federal Tax Lien Search, Cook County Recorder;
- (g) State Tax Lien Search, Cook County Recorder;
- (h) Memoranda of Judgments Search, Cook County; and
- (i) Pending Suits and Judgments, Circuit Court of Cook County.

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

10.7 Organization and Authority Documents. The Developer has submitted to the Corporation Counsel its articles of incorporation, including all amendments thereto, as furnished and certified by the Illinois Secretary of State, and copies of its by-laws, as certified by the secretary of each corporation. The Developer has submitted to the Corporation Counsel resolutions authorizing it to execute and deliver this Agreement and any other documents required to complete the transaction contemplated by this Agreement and to perform its obligations under this Agreement; a certificate of good standing from the Illinois Secretary of State dated no more than thirty (30) days prior to the Closing; and such other corporate authority and organizational documents as the City may reasonably request.

10.8 Economic Disclosure Statement. The Developer has provided to the Corporation Counsel an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

10.9 Subordination Agreement. The Developer has provided to the Corporation Counsel a subordination agreement in a form reasonably acceptable to the City, to be executed and recorded on or prior to the Closing Date, subordinating any liens against the City Property related to the Lender Financing, if any, to certain encumbrances of the City set forth herein.

10.10 MBE/WBE and City Residency Hiring Compliance Plan. The Developer and the Developer's general contractor and all major subcontractors have met with staff from HED regarding compliance with the MBE/WBE, city residency hiring and other requirements set forth

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in Section 24, and HED has approved the Developer's compliance plan in accordance with/. Section 24.4.

10.11 Title and Survey. The Developer has furnished the City with a pro forma Title Policy for the City Property and a copy of any survey prepared for the City Property.

10.12 Representations and Warranties. On the Closing Date, each of the representations and warranties of the Developer in Section 25 and elsewhere in this Agreement shall be true and correct.

10.13 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 20.5 below.

10.14 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 and when required under this Agreement. If any of the conditions in this Section 10 have not been satisfied to HED's reasonable satisfaction within the time periods provided for herein, HED may, at its option, upon thirty (30) days' prior written notice to Developer, terminate this Agreement at any time after the expiration of the applicable time period, in which event this Agreement shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder; provided, however, that if within said thirty (30) day notice period Developer satisfies said condition(s), then the termination notice shall be deemed to have been withdrawn. Any forbearance by HED in exercising its right to terminate this Agreement upon a default hereunder shall not be construed as a waiver of such right.

SECTION 11. CONSTRUCTION REQUIREMENTS.

11.1 Plans and Permits. The Developer shall construct the Project on the City Property materially in accordance with the master site plan, landscape plan and building elevations prepared by the Architect and attached hereto as Exhibit B, and the final plans and specifications prepared by the Architect dated __, 20__, which have been approved by HED and which are incorporated herein by this reference ("Plans"). If the Developer submits and HED approves revised plans and specifications after the Effective Date, the term "Plans" as used herein shall refer to the revised plans and specifications upon HED's written approval of the same. No material deviation from the Plans may be made without the prior written approval of HED. The Plans shall at all times conform to the TIF Plan and all applicable Laws.

11.2 Relocation of Utilities, Curb Cuts and Driveways. The Developer shall be solely responsible for and shall pay all costs associated with: (a) the relocation, installation or construction of public or private utilities, curb cuts and driveways; (b) the repair or reconstruction of any curbs, vaults, sidewalks or parkways required in connection with or damaged as a result of the Developer's construction of the Project; (c) the removal of existing pipes, utility equipment or building foundations; and (d) the termination of existing water or other utility services. The City shall have the right to approve any streetscaping provided by the Developer as part of the Project, including, without limitation, any paving of sidewalks, landscaping and lighting.

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11.3 City's Right to Inspect City Property. For the period commencing on the Closing Date and continuing through the date the City issues the Certificate of Completion, any duly authorized representative of the City shall have access to the City Property at all reasonable times for the purpose of determining whether the Developer is constructing the Project in accordance with the terms of this Agreement and all applicable Laws.

11.4 Barricades and Signs. The Developer shall, at its sole cost and expense, erect and maintain such signs as the City may reasonably require during the Project, identifying the site as a City redevelopment project. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the City Property and the Project in the City's promotional literature and communications. Prior to the commencement of any construction activity requiring barricades, the Developer shall install barricades of a type and appearance satisfactory to the City and constructed in compliance with all applicable Laws. HED shall have the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades. The Developer shall erect all signs and barricades so as not to interfere with or affect any bus stop or train station in the vicinity of the City Property.

SECTION 12. LIMITED APPLICABILITY-

Any approval given by HED pursuant to this Agreement is for the purpose of this Agreement only-and does not constitute the approval required by the City's Department of Buildings or any other City department, nor does such approval constitute an approval of the quality, structural soundness or safety of any improvements located or to be located on the City Property, or the compliance of said improvements with any Laws, private covenants, restrictions of record, or any agreement affecting the City Property or any part thereof.

SECTION 13. COMMENCEMENT AND COMPLETION OF PROJECT.

The Developer shall commence construction of the Project no later than March 15, 2012, and shall complete the Project (as evidenced by the issuance of the Certificate of Completion) no later than March 15, 2013; provided, however, HED, in its sole discretion, may extend the construction commencement and completion dates by up to twelve (12) months each (or twenty-four (24) months in the aggregate). The Developer shall give written notice to the City within five (5) days after it commences construction. The Developer shall construct the Project in accordance with the Plans and all Laws and covenants and restrictions of record.

SECTION 14. CERTIFICATE OF COMPLETION.

The Developer shall request from the City a certificate of completion ("Certificate of Completion") upon the completion of the Project in accordance with this Agreement. Within forty-five (45) days after receipt of a written request by the Developer for a Certificate of Completion, the City shall provide the Developer with either the Certificate of Completion or a written statement indicating in adequate detail how the Developer has failed to complete the Project in conformity with this Agreement, or is otherwise in default, and what measures or acts will be necessary, in the sole opinion of the City, for the Developer to take or perform in order to obtain the Certificate of Completion. If the City requires additional measures or acts to assure compliance, the Developer shall resubmit a written request for the Certificate of Completion upon compliance with the City's response. The Certificate of Completion shall be in recordable form, and shall, upon recording, constitute a conclusive determination of satisfaction and

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termination of the covenants in this Agreement and the Deed with respect to the Developer's obligations to construct the Project. The Certificate of Completion shall not, however, constitute evidence that the Developer has complied with any Laws relating to the construction of the Project, and shall not serve as any "guaranty" as to the quality of the construction. Nor shall the Certificate of Completion release the Developer from its obligation to comply with the other terms, covenants and conditions of this Agreement.

SECTION 15. RESTRICTIONS ON USE.

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

15.1 The Developer shall use the City Property in compliance with the TIF Plan.

15.2 The Developer shall not 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 City Property or the Project or any part thereof.

15.3 The Developer shall construct the Project in accordance with this Agreement, the Plans, all Laws and covenants, and restrictions of record.

The Developer, for itself and its successors and assigns, acknowledges and agrees that the development and use restrictions set forth in this Section 15 constitute material, bargained-for consideration for the City and are intended to further the public policies set forth in the TIF Plan.

SECTION 16. PROHIBITION AGAINST SALE OR TRANSFER OF CITY PROPERTY.

Prior to the issuance of the Certificate of Completion, the Developer may not, without the prior written consent of HED, which consent shall be in HED's sole discretion: (a) directly or indirectly sell, transfer or otherwise dispose of the City Property or any part thereof or any interest therein or the Developer's controlling interests therein (including, without limitation, a transfer by assignment of any beneficial interest under a land trust); or (b) directly or indirectly assign this Agreement. The Developer acknowledges and agrees that HED may withhold its consent under (a) or (b) above if, among other reasons, the proposed purchaser, transferee or assignee (or such entity's principal officers or directors) is in violation of any Laws, or if the Developer fails to submit sufficient evidence of the financial responsibility, business background and reputation of the proposed purchaser, transferee or assignee. If the Developer is a business entity, no principal party of the Developer (e.g., a general partner, member, manager or shareholder) may sell, transfer or assign any of its interest in the entity prior to the expiration of the Compliance Period to anyone other than another principal party, without the prior written consent of HED, which consent shall be in HED's sole discretion. The Developer must disclose the identity of all limited partners to the City at the time such limited partners obtain an interest in the Developer.

SECTION 17. LIMITATION UPON ENCUMBRANCE OF CITY PROPERTY.

Prior to the issuance of the Certificate of Completion for the Project, the Developer shall not, without HED's prior written consent, which shall be in HED's sole discretion, engage in any financing or other transaction

which would create an encumbrance or lien on the City Property,

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except for any Lender Financing approved pursuant to Section 9, which shall be limited to funds necessary to construct the Project.

SECTION 18. MORTGAGEES NOT OBLIGATED TO CONSTRUCT.

Notwithstanding any other provision of this Agreement or of the Deed, the holder of any mortgage authorized by this Agreement (or any affiliate of such holder) shall not itself be obligated to construct or complete the Project, or to guarantee such construction or completion, but shall be bound by the other covenants running with the land specified in Section 19 and, at Closing, shall execute a subordination agreement in accordance with Section 10.10. If any such mortgagee or its affiliate succeeds to the Developer's interest in the City Property prior to the issuance of the Certificate of Completion, whether by foreclosure, deed-in-lieu of foreclosure or otherwise, and thereafter transfers its interest in the City Property to another party, such transferee shall be obligated to complete the Project, and shall also be bound by the other covenants running with the land specified in Section 19.

SECTION 19. COVENANTS RUNNING WITH THE LAND.

The parties agree, and the Deed shall so expressly provide, that the covenants, agreements, releases and other terms and provisions contained in Section 13 (Commencement and Completion of Project), Section 15 (Restrictions on Use), Section 16 (Prohibition Against Sale or Transfer of City Property), Section 17 (Limitation Upon Encumbrance of City Property), and Section 23.4 (Release for Environmental Conditions) touch and concern and shall be appurtenant to and shall run with the City Property. Such covenants, agreements, releases and other terms and provisions shall be binding on the Developer and its successors and assigns (subject to the limitation set forth in Section 18 above as to any permitted mortgagee) 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. Such covenants, agreements, releases and other terms and provisions shall terminate as follows: Sections 13, 15.3 and 17 upon the issuance of the Certificate of Completion; Section 15.1 upon the expiration of the TIF Plan; Section 16 upon the expiration of the Compliance Period; and Sections 15.2 and 23.4 with no limitation as to time.

SECTION 20. PERFORMANCE AND BREACH.

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

20.2 Event of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" under this Agreement: .

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

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- (c) the making or furnishing by the Developer of any warranty, representation, statement, certification, schedule or report to the City (whether in this Agreement, an Economic Disclosure Statement or another document) which is untrue or misleading in any material respect;
- (d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the City Property, or the making or any attempt to make any levy, seizure or attachment thereof;
- (e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing, for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings . involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

- (f) the appointment of a receiver or trustee for the Developer, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;
- (g) the entry of any judgment or order against the Developer which is related to the City Property and remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;
- (h) the occurrence of an event of default under the Lender Financing, which default is not cured within any applicable cure period;
- (i) the dissolution of the Developer; and
- (j) the occurrence of a material and adverse change in the Developer's financial condition or operations.

20.3 Cure. If the Developer defaults in the performance of its obligations under this Agreement, the Developer shall have thirty (30) days after written notice of default from the City to cure the default, or such longer period as shall be reasonably necessary to cure such default provided the Developer promptly commences such cure and thereafter diligently pursues such cure to completion (so long as continuation of the default does not create material risk to the Project or to persons using the Project). Notwithstanding the foregoing or any other provision of this Agreement to the contrary:

- (a) there shall be no notice requirement with respect to Events of Default described in Section 5 (with respect to Outside Closing Date);

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- (b) there shall be no notice requirement or cure period with respect to Events of Default described in Section 13 (Commencement and Completion of Project), Section 16 (Prohibition Against Transfer of City Property) and Section 17 (Limitation Upon Encumbrance of City Property); and

20.4 Prior to Closing. If an Event of Default occurs prior to the Closing, and the default is not cured in the time period provided for in Section 20.3 above, the City may terminate this Agreement, institute any action or proceeding at law or in equity against the Developer, or retain the Earnest Money and Performance Deposit as liquidated damages.

20.5 After Closing. If an Event of Default occurs after the Closing but prior to the issuance of the Certificate of Completion, and the default is not cured in the time period provided for in Section 20.3 above, the City may terminate this Agreement and exercise any and all remedies available to it at law or in equity, including the right to re-enter and take possession of the City Property, terminate the estate conveyed to the Developer, and revert title to the City Property in the City pursuant to the Reconveyance Deed; provided, however, the City's foregoing 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 City Property was owned by the Developer, and shall cause the release of all liens or encumbrances placed on the City Property during the period of time the City 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 City Property to the City by executing any customary transfer documents.

20.6 Resale of the City Property. Upon the reversion in the City of title to the City Property as provided in Section 20.5, the City may complete the Project or convey the City Property, subject to any first mortgage lien, to a qualified and financially responsible party reasonably acceptable to the first mortgagee, who shall assume the obligation of completing the Project or such other improvements as shall be satisfactory to HED, and otherwise comply with the covenants that run with the land as specified in Section 19.

20.7 Disposition of Resale Proceeds. If the City sells the City Property as provided for in Section 20.6, the net proceeds from the sale, after payment of all amounts owed under any mortgage liens authorized by this Agreement in order of lien priority, shall be utilized to reimburse the City for:

- (a) costs and expenses incurred by the City (including, without limitation, salaries of personnel) in connection with the recapture, management and resale of the City Property (less any income derived by the City from the City Property in connection with such management); and
- (b) all unpaid taxes, assessments, and water and sewer charges assessed against the City Property; and

(c) any payments made (including, without limitation, reasonable attorneys' fees and court costs) to discharge or prevent from attaching or being made any

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subsequent encumbrances or liens due to obligations, defaults or acts of the Developer; and

(d) any expenditures made or obligations incurred with respect to construction or maintenance of the Project; and

(e) any other amounts owed to the City by the Developer.

The Developer shall be entitled to receive any remaining proceeds up to the amount of the Developer's equity investment in the City Property.

SECTION 21. CONFLICT OF INTEREST; CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

The Developer represents and warrants that no agent, official or employee of the City shall have any personal interest, direct or indirect, in the Developer, this Agreement, the City Property or the Project, 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 corporation, partnership, association or other entity 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 with respect to any commitment or obligation of the City under the terms of this Agreement.

SECTION 22. INDEMNIFICATION.

The Developer agrees to indemnify, defend and hold the City harmless from and against any Losses suffered or incurred by the City arising from or in connection with: (a) the failure of the Developer to perform its obligations under this Agreement; (b) the failure of the Developer or any Agent to pay contractors, subcontractors or material suppliers in connection with the construction and management of the Project; (c) any misrepresentation or omission made by the Developer or any Agent; (d) the failure of the Developer to redress any misrepresentations or omissions in this Agreement or any other agreement relating hereto; and (e) any activity undertaken by the Developer or any Agent on the City Property prior to or after the Closing. This indemnification shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

SECTION 23. ENVIRONMENTAL MATTERS.

23.1 "AS IS" SALE. THE DEVELOPER ACKNOWLEDGES THAT IT HAS HAD ADEQUATE OPPORTUNITY TO INSPECT AND EVALUATE THE STRUCTURAL, PHYSICAL AND ENVIRONMENTAL CONDITION AND RISKS OF THE CITY PROPERTY AND ACCEPTS THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE CITY PROPERTY. THE DEVELOPER AGREES TO ACCEPT THE CITY PROPERTY IN ITS "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT CLOSING WITHOUT ANY COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, AS TO ANY MATTERS CONCERNING THE CITY PROPERTY, INCLUDING WITHOUT LIMITATION: (a) THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE CITY PROPERTY; (b) THE SUITABILITY OF THE CITY PROPERTY FOR ANY PURPOSE WHATSOEVER; (c) THE CONDITION OF SOILS,

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GEOLOGY, AND GROUNDWATER; (d) THE COMPLIANCE OF THE CITY PROPERTY WITH ANY APPLICABLE ENVIRONMENTAL LAW; OR (e) THE PRESENCE OR REMOVAL OF HAZARDOUS SUBSTANCES ON, UNDER, OR ABOUT THE CITY PROPERTY OR ADJACENT PROPERTY. THE DEVELOPER ACKNOWLEDGES THAT IT IS RELYING SOLELY UPON ITS OWN INSPECTION AND OTHER DUE DILIGENCE ACTIVITIES AND NOT, UPON ANY INFORMATION (INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL STUDIES OR REPORTS OF ANY KIND) PROVIDED BY OR ON BEHALF OF THE CITY OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. THE DEVELOPER AGREES THAT IT IS THE DEVELOPER'S SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM ANY ENVIRONMENTAL REMEDIATION WORK AND TAKE SUCH OTHER ACTION AS IS NECESSARY TO PUT THE CITY PROPERTY IN A CONDITION WHICH IS SUITABLE FOR ITS INTENDED USE.

23.2 Right of Entry. The Developer's obligation to purchase the City Property is conditioned upon the Developer being satisfied with the condition of the City Property for the construction, development and operation of the Project. Upon the Developer's request, the City shall grant the Developer the right, at the

Developer's sole cost and expense, to enter the City Property, pursuant to an access agreement reasonably acceptable to the City, to inspect the same, perform surveys, environmental assessments, soil tests and any other due diligence the Developer deems necessary or desirable to satisfy itself as to the condition of the City Property. If the Developer determines that it is not satisfied, in its sole discretion, with the condition of the City Property, the Developer may terminate this Agreement by written notice to the City any time prior to the Closing Date, whereupon the City shall return the Earnest Money and Performance. Deposit to the Developer 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. If the Developer elects not to terminate this Agreement pursuant to this Section 23.2, the Developer shall be deemed satisfied with the condition of the City Property.

23.3 Release and Indemnification. The Developer, on behalf of itself and the other Developer Parties, or anyone claiming by, through, or under the Developer Parties, hereby releases, relinquishes and forever discharges the City Parties from and against any and all claims for Losses which the Developer or any of the Developer Parties ever had, now have, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, arising out of or in any way connected with, directly or indirectly (a) any environmental contamination, pollution or hazards associated with the City Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Substances, or threatened release, emission or discharge of Hazardous Substances; (b) the structural, physical or environmental condition of the City Property, including, without limitation, the presence or suspected presence of Hazardous Substances in, on, under or about the City Property or the migration of Hazardous Substances from or to other property; (c) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any Losses arising under CERCLA, and (d) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the City Property or any improvements, facilities' or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore, the Developer shall defend, indemnify, and hold the City Parties harmless from and against any and all Losses which may be made or asserted by any third parties arising out of or in any way connected with, directly or indirectly, any of the

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Released Claims. The foregoing covenant of release and indemnification shall run With the City Property, and shall be binding upon all successors and assigns of the Developer with respect to the City Property, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the City Property under or through the Developer following the date of the Deed. The Developer acknowledges and agrees that the foregoing covenant of release and indemnification constitutes a material inducement to the City to enter into this Agreement, and that, but for such release and indemnification, the City would not have agreed to convey the City Property to the Developer. It is expressly agreed and understood by and between the Developer and the City that, should any future obligation of the Developer, or any of the Developer Parties, arise or be alleged to arise in connection with any environmental, soil or other condition of the City Property, neither the Developer, nor any of the Developer Parties, will assert that those obligations must be satisfied in whole or in part by the City because this Section 23.3 contains a full, complete and final release of all such claims.

23.4 Release Runs with the Land. The covenant of release in Section 23.3 shall run with the City Property, and shall be binding upon all successors and assigns of the Developer with respect to the City Property, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the City Property under or through the Developer following the date of the Deed. The Developer acknowledges and agrees that the foregoing covenant of release constitutes a material inducement to the City to enter into this Agreement, and that, but for such release, the City would not have agreed to convey the City Property to the Developer. It is expressly agreed and understood by and between the Developer and the City that, should any future obligation of the Developer, or any of the Developer Parties, arise or be alleged to arise in connection with any environmental, soil or other condition of the City Property, neither the Developer, nor any of the Developer Parties, will assert that those obligations must be satisfied in whole or in part by the City because Section 23.3 contains a full, complete and final release of all such claims.

, 23.5 Rehabilitation Work and Removal of Materials from the City Property. The Developer, shall: (a) perform all rehabilitation work in accordance with all applicable Environmental Laws, (b) dispose of all materials in accordance with all applicable Environmental Laws, (c) maintain documentation evidencing that such disposal was in accordance with all applicable Environmental Laws, and (d) provide copies of such documentation to the City upon request. Any asbestos-containing material abatement must be performed by a contractor licensed by the State of Illinois to perform such abatement, and the Developer must provide copies of any documentation relating to such abatement upon request.

23.6 Survival. This Section 23 shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

SECTION 24. DEVELOPER'S EMPLOYMENT OBLIGATIONS.

24.1 Employment Opportunity. The Developer agrees, and shall contractually obligate its various contractors, subcontractors and any Affiliate of the Developer operating on the City Property (collectively, the "Employers" and individually, an "Employer") to agree, that with respect to the provision of services in connection with the construction of the Project:

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(a) Neither the Developer nor any Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Section 2-160-010 et seq. of the Municipal Code of Chicago, as amended from time to time (the "Human Rights Ordinance"). The Developer and each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon the foregoing grounds, and are treated in a non-discriminatory manner with regard to all job-related matters, including, without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training', including apprenticeship. The Developer and each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Developer and each Employer, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon the foregoing grounds.

(b) To the greatest extent feasible, the Developer and each Employershall (i) present opportunities for training and employment of low and moderate income residents of the City, and (ii) provide that contracts for work in connection with the construction of the Project be awarded to business concerns which are located in or owned in substantial part by persons residing in, the City.

(c) The Developer and each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, without limitation, the Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), both as amended from time to time, and any regulations promulgated thereunder.

(d) The Developer, in order to demonstrate compliance with the terms of this Section 24.1, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

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

(f) Failure to comply with the employment obligations described in this Section 24.1 shall be a basis for the City to pursue remedies under the provisions of Section 20.

24.2 City Resident Employment Requirement.

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(a) The Developer agrees, and shall contractually obligate each Employer to agree, that during the construction of the Project, the Developer and each Employer shall comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago as specified in Section 2-92-330 of the Municipal Code of Chicago (at least fifty percent); provided, however, that in addition to complying with this

percentage, the Developer and each Employer shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

(b) The Developer and the Employers may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the chief procurement officer of the City of Chicago.

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

(d) The Developer and the Employers shall provide for the maintenance of adequate employee residency records to ensure that , actual Chicago residents are employed on the construction of the Project. The Developer and the Employers shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

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

(f) The Developer and the Employers shall provide full access to their employment records to the chief procurement officer, HED, the Superintendent of the Chicago Police Department, the inspector general, or any duly authorized representative thereof. The Developer and the Employers shall maintain all relevant personnel data and records for a period of at least three (3) years after the issuance of the Certificate of Completion.

(g) At the direction of HED, the Developer and the Employers shall provide affidavits and other supporting documentation to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

(h) Good faith efforts on the part of the Developer and the Employers to provide work for actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the chief procurement officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section 24.2 concerning the worker hours performed by actual Chicago residents.

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(i) If the City determines that the Developer or an Employer failed to ensure the fulfillment of the requirements of this Section 24.2 concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section 24.2. If such non-compliance is not remedied in accordance with the breach and cure provisions of Section 20.3, the parties agree that 1/20 of 1 percent (.05%) of the aggregate hard construction costs set forth in the Budget shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer and/or the other Employers or employees to prosecution.

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

(k) The Developer shall cause or require the provisions of this Section 24.2 to be included in all construction contracts and subcontracts related to the construction of the Project.

24.3 Developer's MBEEA/BE Commitment. The Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the general contractor to agree, that during the construction of the Project:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBEEA/BE Program to the extent contained in, and as qualified by, the provisions of this Section 24.3, during the course

of construction of the Project, at least 24% of the aggregate hard construction costs shall be expended for contract participation by minority-owned businesses and at least 4% of the aggregate hard construction costs shall be expended for contract participation by women-owned businesses.

(b) For purposes of this Section 24.3 only:

(i) The Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

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(ii) The term "minority-owned business" or "MBE" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(iii) The term "women-owned business" or "WBE" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture, or (ii) the amount of any actual work performed on the Project by the MBE or WBE); by the Developer utilizing a MBE or a WBE as the general contractor (but only to the extent of any actual work performed on the Project by the general contractor); by subcontracting or causing the general contractor to subcontract a portion of the construction of the Project to one or more MBEs or WBEs; by the purchase of materials or services used in the construction of the Project from one or more MBEs or WBEs; or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 24.3. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE general contractor or subcontractor without the prior written approval of HED.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during the construction of the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the Developer or the general contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the construction of the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the construction of the Project for at least five (5) years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on prior notice of at least five (5) business days, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the construction of the Project.

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(e) Upon the disqualification of any MBE or WBE general contractor or subcontractor, if the disqualified party misrepresented such status, the Developer shall be obligated to discharge or cause to be discharged the disqualified general contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 24.3 shall

be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable. 24.4 Pre-Construction Conference and Post-Closing Compliance Requirements. Not less than fourteen (14) days prior to the Closing Date, the Developer and the Developer's general contractor and all major subcontractors shall meet with HED monitoring staff regarding compliance with all Section 24 requirements. During this pre-construction meeting, the Developer shall present its plan to achieve its obligations under this Section 24, the sufficiency of which the City's monitoring staff shall approve as a precondition to the Closing. During the construction of the Project, the Developer shall submit all documentation required by this Section 24 to the City's monitoring staff, including, without limitation, the following: (a) subcontractor's activity report; (b) contractor's certification concerning labor standards and prevailing wage requirements; (c) contractor letter of understanding; (d) monthly utilization report; (e) authorization for payroll agent; (f) certified payroll; (g) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (h) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 24, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (x) issue a written demand to the Developer to halt construction of the Project, (y) withhold any further payment of any City funds to the Developer or the general contractor, or (z) seek any other remedies against the Developer available at law or in equity.

SECTION 25. REPRESENTATIONS AND WARRANTIES.

25.1 Representations and Warranties of the Developer. To induce the City to execute this Agreement and perform its obligations hereunder, the Developer represents, warrants and covenants to the City that as of the Effective Date and as of the Closing Date the following shall be true, accurate and complete in all respects:

- (a) The Developer is an Illinois limited liability company 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 redevelop the City Property, and the persons signing this Agreement on behalf of the Developer have the authority to do so.
- (b) All certifications and statements contained in the Economic Disclosure Statements submitted to the City by the Developer (and any legal entity holding an interest in the Developer) are true, accurate and complete.

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- (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 City Property is bound.

- (d) No action, litigation, investigation or proceeding of any kind is pending or threatened against the Developer, or any party affiliated with the Developer, by or before any court, governmental commission, board, bureau or any other administrative agency, and the Developer knows of no facts which could give rise to any such action, litigation, investigation or proceeding, which could: (i) affect the ability of the Developer to perform its obligations hereunder; or (ii) materially affect the operation or financial condition of the Developer.

- (e) The Developer is now and for the term of the Agreement shall remain solvent and able to pay its debts as they mature.

- (f) The Developer has and shall maintain all Governmental Approvals (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project.

- (g) The Developer is not in default with respect to any indenture, loan agreement, mortgage, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound.

- (h) The Project will not violate: (i) any applicable Laws, including, without limitation, any zoning and building codes and Environmental Laws; or (ii) any building permit, restriction of record or other agreement affecting the City Property.

25.2 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.

25.3 Survival of Representations and Warranties. Each of the parties agrees that all warranties, representations, covenants and agreements contained in this Section 25 and elsewhere in this Agreement are true, accurate and complete as of the Effective Date and shall survive the Effective Date and be in effect throughout the term of the Agreement.

SECTION 26. 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; (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 Housing and Economic

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Development

121 North LaSalle Street, Room 1003 Chicago, Illinois 60602 Attn: Commissioner

City of Chicago

Department of Law

121 North LaSalle Street, Suite 600

Chicago, Illinois 60602

Attn: Real Estate and Land Use Division

Reneau Commercial Properties, LLC 6122 S. Dorchester Avenue Chicago, Illinois 60637 Attn: Wilbur S.

Reneau, President ,

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmed transmission by facsimile, respectively, provided that such facsimile transmission is confirmed as having occurred prior to 5:00 p.m. on a business day. If such transmission 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 business day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) 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. The refusal to accept delivery by any party or the inability to deliver any communication because of a changed address of which no notice has been given in accordance with this Section 26 shall constitute delivery.

SECTION 27. BUSINESS RELATIONSHIPS.

The Developer acknowledges (a) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (b) 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 (c) 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 2-145-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

SECTION 28. PATRIOT ACT CERTIFICATION.

With a copy to:

If to the Developer:

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The Developer represents and warrants that neither the Developer nor any Affiliate (as hereafter defined) thereof 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 Laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this Section 28 only, an "Affiliate" shall be deemed to be a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the 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 29. PROHIBITION ON CERTAIN CONTRIBUTIONS PURSUANT TO MAYORAL EXECUTIVE ORDER NO. 2011-4.

29.1 The Developer agrees that the Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in the Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, the Developer's contractors (i.e., any person or entity in direct contractual privity with the 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 (the 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 (a) after execution of this Agreement by the Developer, (b) while this Agreement or any Other Contract (as hereinafter defined) is executory, (c) during the term of this Agreement or any Other Contract, or (d) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

29.2 The Developer represents and warrants that from the later of (a) May 16, 2011, or (b) 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.

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

29.4 The 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.

29.5 Notwithstanding anything to the contrary contained herein, the Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or

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warranty under this Section 29 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, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

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

29.7 For purposes of this provision:

(a) "Bundle" means to collect contributions from more than one source, which contributions are then delivered by one person to the Mayor or to his political fundraising committee.

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

(c) "Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of

Chicago, as amended.

(d) Individuals are "domestic partners" if they satisfy the following criteria:

- (i) they are each other's sole domestic partner, responsible for each other's common welfare; and
- (ii) neither party is married; and
- (iii) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (iv) 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

(v) two of the following four conditions exist for the partners:

(1) The partners have been residing together for at least 12 months.

(2) The partners have common or joint ownership of a residence.

(3) The partners have at least two of the following arrangements:

(A) joint ownership of a motor vehicle;

(B) joint credit account;

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(C) a joint checking account;

(D) a lease for a residence identifying both domestic partners as tenants.

(4) Each partner identifies the other partner as a primary beneficiary in a will.

(e) "Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

SECTION 30. COOPERATION WITH OFFICE OF COMPLIANCE.

In accordance with Chapter 2-26-010 et seq. of the Municipal Code, the Developer acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Executive Director of the Office of Compliance in connection with any activities undertaken by such office with respect to this Agreement, including, without limitation, making available to the Executive Director the department's premises, equipment, personnel, books, records and papers. The Developer agrees to abide by the provisions of Chapter 2-26-010 et seq.

SECTION 31. MISCELLANEOUS.

The following general provisions govern this Agreement:

31.1 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

31.2 Cumulative Remedies. The remedies of any party hereunder are cumulative and the exercise of any one or more of such remedies shall not be construed as a waiver of any other remedy herein conferred upon such party or hereafter existing at law or in equity, unless specifically so provided herein.

31.3 Date for Performance. If the final date of any time period set forth herein falls on a Saturday, Sunday or legal holiday under the laws of Illinois or the United States of America, then such time period shall be automatically extended to the next business day.

31.4 Entire Agreement; Modification. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreements, negotiations and discussions. This Agreement may not be modified or amended in any manner without the prior written consent of the parties hereto. No term of this Agreement may be waived or discharged orally or by any course of dealing, but only by an instrument in writing signed by the party benefited by such term.

31.5 Exhibits. All exhibits referred to herein and attached hereto shall be deemed part of this Agreement.

31.6 Force Majeure. Neither the City nor the Developer shall be considered in breach of its obligations under this Agreement in the event of a delay due to unforeseeable events or conditions beyond the reasonable control of the party affected which in fact interferes with the

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ability of such party to discharge its obligations hereunder, including, without limitation, fires, floods, strikes, shortages of material and unusually severe weather or delays of 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 party relying on this section requests an extension in writing within twenty (20) days after the beginning of any such delay.

31.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

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

31.9 No Merger. The terms 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 terms of this Agreement.

31.10 No Waiver. No waiver by the City with respect to any specific default by the Developer shall, be deemed to be a waiver of the rights of the City with respect to any other defaults of the Developer, nor shall any forbearance by the City to seek a remedy for any breach or default be deemed a waiver of its rights and remedies with respect to such breach or default, nor shall the City be deemed to have waived any of its rights and remedies unless such waiver is in writing.

31.11 Severability. If any term of this Agreement or any application thereof is held invalid or unenforceable, the remainder of this Agreement shall be construed as if such invalid part were never included herein and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

31.12 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 32. 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 33. 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.

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(Signature Page Follows)

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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

By: _

Andrew J. Mooney

Commissioner of the Department of Housing and Economic Development

RENEAU COMMERCIAL PROPERTIES, an Illinois limited liability company

By: _

Wilbur S. Reneau Its President

THIS INSTRUMENT PREPARED BY, AND AFTER RECORDING, PLEASE RETURN TO:

Arthur Dolinsky Senior Counsel

City of Chicago, Department of Law 121 North LaSalle Street, Suite 600 Chicago, Illinois 60602 (312)744-0200

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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 Andrew J. Mooney, Commissioner of the Department of Housing and Economic Development of the City of Chicago, an Illinois municipal corporation, 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 said Commissioner, he signed and delivered the foregoing 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 said municipal corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this day of, 20.

NOTARY PUBLIC

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STATE OF ILLINOIS COUNTY OF COOK

)

) SS.

) (

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Wilbur S. Reneau, the President of Reneau Commercial Properties, LLC, an Illinois limited liability company, 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 he signed and delivered the foregoing instrument pursuant to authority given by said company, as his free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my notarial seal this day of, 20.

NOTARY PUBLIC

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(sub) EXHIBIT A to Redevelopment Agreement LEGAL DESCRIPTION OF CITY PROPERTY

[subject to final title commitment and survey]

LOT 1 IN THE SUBDIVISION OF THAT PART OF THE RESUBDIVISION OF BLOCK 2, LYING SOUTH OF THE ALLEY (EXCEPT THE C.W.P. & S. RAILROAD RIGHT OF WAY AND THE C.R.I. & P. RAILROAD FREIGHT HOUSE GROUNDS), ALSO A SUBDIVISION OF BLOCKS 5, 6 AND 7 AS FORMERLY PLATTED IN THE FIRST ADDITION TO WEST PULLMAN, INCLUDING THE ILLINOIS CENTRAL RAILROAD CENTER AVENUE STATION AT, THE SOUTHWEST CORNER OF SAID BLOCK 5, AND INCLUDING ABERDEEN STREET AND MORGAN STREET (VACATED), LYING BETWEEN 120th STREET AND THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY, ALL BEING IN THE FIRST ADDITION TO WEST PULLMAN IN THE NORTHEAST 1/4 OF SECTION 29, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 11914 S. PEORIA STREET

CHICAGO, ILLINOIS 60643

PERMANENT INDEX NO. 25-29-201-020

(sub) EXHIBIT B to Redevelopment Agreement MASTER SITE PLAN. LANDSCAPE PLAN AND BUILDING ELEVATIONS

[Master Site Plan and Building Elevations are attached; Landscape Plan to come]

Exhibit B - Site Plan

SO. PEORIA STREET

IS H⁸

RENOVATION - MARGIE'S BRANPS, IMG. 11114 SOUTH PEORIA STREET CHICAGO, ILLINOIS

RAY/DAWSON, P.C. 21f^!i;*?***.

Architect \$ EnghTeorg y*a*v»x n-wi

approval.

Attachments: Exhibit A - Legal Description of City Property Exhibit B - Redevelopment Agreement

APPROVED . . CORPORATION COUNSEL