



Office of the City Clerk

City Hall
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Legislation Details (With Text)

File #: O2011-2615
Type: Ordinance **Status:** Passed
File created: 4/13/2011 **In control:** City Council
Final action: 5/4/2011

Title: Amendment of redevelopment agreement with CJUF III Harper Court LLC for mixed-use project including parking, retail and office spaces, hotel, residential tower and multi-family building

Sponsors: Daley, Richard M.

Indexes: Redevelopment

Attachments: 1. O2011-2615.pdf

Date	Ver.	Action By	Action	Result
5/9/2011	1	Office of the Mayor	Signed by Mayor	Pass
5/4/2011	1	City Council	Passed	Pass
5/2/2011	1	Committee on Finance	Recommended to Pass	Pass
4/13/2011	1	City Council	Referred	

OFFICE OF THE MAYOR
CITY OF CHICAGO
RICHARD M. DALEY
MAYOR

April 13, 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 ordinance amending previously executed redevelopment agreement [

Your favorable consideration of these ordinances will be appreciated.

ORDINANCE

WHEREAS, pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on January 10, 2001, and published at pages 49799 through 49880 in the Journal of Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (the "Redevelopment Plan") for the 53rd Street Redevelopment Project Area (the "Redevelopment Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on January 10, 2001, and published at pages 49882 through 49890 in the Journal of such date, the Redevelopment Area was designated as a "redevelopment project area" pursuant to the Act; and

WHEREAS, pursuant to an ordinance (the "TIF Ordinance") adopted by the City Council on January 10, 2001, and published at pages 49892 through 49900 in the Journal of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain redevelopment project costs (as-defined in the Act) in the Redevelopment Area incurred pursuant to the Redevelopment Plan; and

WHEREAS, by Resolution No. 08-CDC-70 adopted November 8, 2008, the Community Development Commission of the City (the "CDC") authorized the City Department of Housing and Economic Development ("HED") to publish notice pursuant to Section 5/11-74.4(c) of the Act and to issue a request for proposals (the "RFP") for the sale and redevelopment of certain City Property (as defined below) located in the Redevelopment Area for a mixed use redevelopment; and

WHEREAS, HED published notice on three (3) separate dates, namely on November 24, 2008, November 30,

2008 and December 7, 2008, and the RFP documents were made available to the public beginning December 8, 2008; and

WHEREAS, eleven responsive proposals were received to the RFP by the deadline indicated in the aforesaid notices and which included a proposal submitted by Harper Court; and

WHEREAS, CJUF III Harper Court LLC, a Delaware limited liability company authorized to do business in Illinois ("Harper Court"), the sole member of which is Harper Court Partners „, LLC, an Illinois limited liability company (of which Vermilion Development, Inc., an Illinois corporation, JFJ Harper Ct., LLC, an Illinois limited liability company, and The Drexel Group, LLC, an Illinois limited liability Company, are members) proposes to demolish, develop, design, construct and equip a mixed use project consisting of certain public infrastructure, approximately 250,000 square feet of commercial, office and retail space, and approximately 458 parking spaces, to be located on the Project Site (as defined below) (collectively, the "Project"); and,

WHEREAS, the Project Site includes the City Property, a portion of the Lake Park Property and the Vacated Property or portion thereof required for the Project (each as defined below) and consists of an approximately 3.25 acre parcel of land owned or to be owned, in whole or in part, by Lake Park Associates, Inc., an Illinois corporation and 100% owned affiliate of the University of Chicago, or an affiliated party of Lake Park ("Lake Park" and, together with Harper Court, the "Developers"), generally bounded by East 53rd Street and East 52nd Street and South Harper Avenue and South Lake Park Avenue in the City, which is located in the Redevelopment Area; and

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WHEREAS, by Resolution No. 10-CDC-53 adopted on September 14, 2010, CDC designated the Developers, or affiliates thereof, as the successful respondents to the RFP and the developers for the Project, authorized HED to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developers for the Project, and approved the bargain sale of the City Property for the Project; and

WHEREAS, the Project is necessary for the redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan; and

WHEREAS, the City owns the real property identified on Exhibit A attached hereto (subject to final title commitment and survey, the "City Property"), which property is located in the Redevelopment Area; and

WHEREAS, Lake Park owns the real property identified on Exhibit B attached hereto (subject to final title commitment and survey, the "Lake Park Property"), which property is located in the Redevelopment Area and adjacent to the City Property; and

WHEREAS, the City, by separate ordinance (the "Vacation Ordinance"), shall hereafter vacate portions of certain public rights of way generally depicted on Exhibit C attached hereto (subject to final title commitment, survey and plat of vacation, the "Vacated Property"), which property is located in the Redevelopment Area and adjacent to portions of the City Property and the Lake Park Property; and

WHEREAS, rights to the Vacated Property shall be transferred to Lake Park and/or the City by the recording of the Vacation Ordinance and a plat of vacation; and

WHEREAS, Lake Park has offered to purchase the City Property, and any portion of the Vacated Property reverting to the City, for the sum of One Dollar (\$1.00) plus any consideration specified in the Vacation Ordinance and thereafter immediately convey a leasehold interest in the City Property, a portion of the Lake Park Property and the Vacated Property or such portion thereof required for the Project (collectively, the "Project Site") to Harper Court for construction of the Project; and

WHEREAS, the Developers will undertake the Project in accordance with the Redevelopment Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Developers and the City (the "Redevelopment Agreement"), with such Project to be financed in part by certain pledged incremental taxes deposited from time to time in the Special Tax Allocation Fund for the Redevelopment Area (as defined in the TIF Ordinance; herein defined as the "Fund") pursuant to Section 5/11-74.4-8(b) of the Act ("Incremental Taxes"); and

WHEREAS, the City Notes (as defined in Section 5) will constitute special, limited obligations of the City, payable solely from amounts on deposit from time to time in the Harper Court Project Subaccount (as defined in Section 14 hereof) and shall be a valid claim of the registered owners thereof only against said sources; the City Notes shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any Constitutional or statutory provision; and the registered owner(s) of the City Notes shall not have the right to compel any exercise of the general tax power of the City, the State of

Illinois or any political subdivision thereof to pay the principal of or interest on the City Notes. The City's obligations to repay the City Notes fully is further limited by the terms and conditions of the Redevelopment Agreement; and

WHEREAS, in a separate transaction proposed for the Project Site, the Developers or a third party selected by the Developers, intend to develop a hotel on the Project Site (the "Hotel Development"), which development will be financed separately and independently from the Project.

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

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Developers are hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.

SECTION 3. The Commissioner of HED (the "Commissioner") or a designee of the Commissioner, are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver the Redevelopment Agreement and such other supporting documents as may be necessary to carry out and comply with the provisions of such agreement, with such changes, deletions and insertions as shall be approved by the persons executing such agreements. The Redevelopment Agreement shall be in substantially the form attached hereto as Exhibit D and made a part hereof and hereby approved with such changes therein as shall be approved by the persons executing the same, with such execution to constitute conclusive evidence of such person's approval and the approval of this City Council of any changes or revisions from the form of the Redevelopment Agreement attached to this ordinance.

SECTION 4. The City Council hereby finds that the City is authorized to (i) issue its tax increment allocation revenue obligations in one or more series, either on a taxable or tax-exempt basis, in the maximum principal amount of Eighteen Million Forty-Five Thousand Dollars (\$18,045,000), as reduced by the amount of the Approved TIF Mortgage Interest Payment (as such term is defined in the Redevelopment Agreement), (ii) pay an amount not to exceed Two Million Dollars (\$2,000,000) as the initial payment (the "Initial Payment") in the aggregate from Incremental Taxes deposited in the general account of the Fund (the "General Account"), and (iii) pay the Approved TIF Mortgage Interest Payment from the General Account, all on the terms and conditions provided in the Redevelopment Agreement to finance or reimburse a portion of the eligible redevelopment project costs (as such term is defined under the Act) included within the Project (such costs shall be known herein and in the Redevelopment Agreement as "TIF-Funded Improvements").

SECTION 5. There shall be borrowed for and on behalf of the City a principal amount not to exceed Eighteen Million Forty-Five Thousand Dollars (\$18,045,000) for the payment of a portion of the TIF-Funded Improvements. Of the amount so borrowed, not to exceed Fourteen Million Dollars (\$14,000,000) may be evidenced by a tax-exempt note of the City designated "Tax Increment Allocation Revenue Note (53rd Street Redevelopment Project Area), Tax-Exempt Series 2011A (the "City Tax-Exempt Note"), and not to exceed Four Million Forty-Five Thousand Dollars (\$4,045,000) may be evidenced by a taxable note of the City, designated "Tax Increment Allocation Revenue Note (Harper Court Project), Taxable Series 2011B" (the "City Taxable Note" and, together with the City Tax-Exempt Note, the "City Notes"). The maximum aggregate amount of the City Taxable Note issued by the City shall be net of the Approved TIF Mortgage Interest Payment amount set forth in the Redevelopment Agreement. In addition, the City is authorized to pay from Incremental Taxes an aggregate amount not to exceed Two Million Dollars (\$2,000,000) as the Initial Payment and the Approved TIF Mortgage

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Interest Payment on the terms and conditions provided in the Redevelopment Agreement, The City Notes shall be substantially in the form attached to the Redevelopment Agreement and made a part hereof with such additions or modifications as shall be determined to be necessary by the Authorized Officer (the person duly appointed and serving as the Chief Financial Officer of the City, or if no such person has been appointed, then the City Comptroller, being each referred to herein as an "Authorized Officer") of the City, at the time of issuance to reflect the purpose of the issue. The City Notes (a) shall be dated the date of delivery thereof, (b) shall bear the date of authentication, (c) shall be in fully registered form, (d) shall be in the denomination of the outstanding principal amount thereof, (e) shall become due and payable, and (f) shall be subject to redemption prior to maturity as provided therein. The proceeds of the City Notes, the Initial, Payment and the Approved

TIF Mortgage Interest Payment are hereby appropriated for the purposes set forth in this Section 5, Each City Note shall mature as described in the Redevelopment Agreement, and shall bear interest at interest rates as described in the Redevelopment Agreement until the principal amount of each City Note is paid or until maturity, with the exact rate to be determined by the Authorized Officer, computed on the basis of a 360-day year of twelve 30-day months.

The principal of and interest on the City Notes shall be paid by check, draft or wire transfer of funds by the Authorized Officer of the City, as registrar and paying agent (the "Registrar"), payable in lawful money of the United States of America to the persons in whose names the City Notes are registered at the close of business on the payment date, in any event no later than at the close of business on the fifteenth (15th) day of the month immediately after the applicable payment date; provided, that the final installment of the principal and accrued but unpaid interest of the City Notes shall be payable in lawful money of the United States of America at the principal office of the Registrar or as otherwise directed by the City on or before the maturity date.

The seal of the City shall be affixed to or a facsimile thereof printed on the City Notes, and the City Notes shall be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk or any Deputy Clerk of the City, and in case any officer whose signature shall appear on the City Notes shall cease to be such officer before the delivery of the City Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The City Notes shall have thereon a certificate of authentication substantially in the form hereinafter set, forth duly executed by the Registrar, as authenticating agent of the City for the City Notes, and showing the date of authentication. The City Notes shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Registrar by manual signature, and such certificate of authentication upon the City Notes shall be conclusive evidence that the City Notes have been authenticated and delivered under this Ordinance.

SECTION 6. The City shall cause books (the "Register") for the registration and for the transfer of the City Notes (to the extent such transfer is permitted under the Redevelopment Agreement) as provided in this Ordinance to be kept at the principal office of the Registrar, which is hereby constituted and appointed the registrar of the City for the City Notes. The City is authorized to prepare, and the Registrar shall keep custody of, multiple City Note blanks executed by the City for use in the transfer of the City Notes.

Upon surrender for a transfer of a City Note authorized under the Redevelopment Agreement at the principal office of the Registrar, duly endorsed by, or accompanied by (i) a written instrument or instruments of transfer in form satisfactory to the Registrar, (ii) an investment representation in form satisfactory to the City and duly executed by, the registered owner or his attorney duly authorized in writing, (iii) the written consent of the City evidenced by the signature of the Authorized Officer (or his or her designee) and the Commissioner on the instrument of transfer, and (iv) any deliveries required under the Redevelopment Agreement, the City shall execute and the Registrar shall authenticate, date and deliver in the name of any such authorized transferee or transferees a new fully registered City Note of the same maturity, of authorized denomination, for the authorized principal amount of the City Note less previous retirements. The execution by the City of a fully registered City Note shall constitute full and due authorization of the City Note and the Registrar shall thereby be authorized to authenticate, date and deliver the City Note. The Registrar shall not be required to transfer or exchange a City Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of the City Note nor to transfer or exchange a City Note after notice calling a City Note for prepayment has been made, nor during a period of five (5) business days next preceding mailing of a notice of prepayment of principal of a City Note. No beneficial interests in a City Note shall be assigned, except in accordance with the procedures for transferring a City Note described above.

The person in whose name each City Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of a City Note shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the City Notes to the extent of the sum or sums so paid.

No service charge shall be made for any transfer of the City Notes, but the City or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the City Notes.

SECTION 7. Subject to the limitations set forth herein, the Authorized Officer is authorized to determine the

terms of the City Notes and to issue the City Notes on such terms as the Authorized Officer may deem to be in the best interest of the City. The principal of the City Notes shall be subject to prepayment as provided in the form of City Notes attached to the Redevelopment Agreement as Exhibits M-1 and M-2. As directed by the Authorized Officer, the Registrar shall proceed with prepayment without further notice or direction from the City.

SECTION 8. The City Notes hereby authorized shall be executed as in this Ordinance and the Redevelopment Agreement provided as soon after the passage hereof as may be practicable and consistent with the terms of the Redevelopment Agreement, and thereupon, said City Notes shall be deposited with the Commissioner, and delivered by the Commissioner to the Developers.

SECTION 9. Pursuant to the TIF Ordinance, the City has created or will create the Fund. The Authorized Officer is hereby directed to maintain the Fund as a segregated interest-bearing account, separate and apart from the General Fund or any other fund of the City. Pursuant to the TIF Ordinance, all Incremental Taxes received by the City for the Area are to be deposited into the Fund.

There is hereby created within the Fund a special sub-account to be known as the "Harper Court Project Subaccount" (the "Project Account"). The City shall designate and

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deposit Incremental Taxes into the Project Account, to the extent available, in an amount in each year equal to the Available Incremental Taxes (City Note A) (as defined in the Redevelopment Agreement).

The City hereby assigns, pledges and dedicates the Project Account, together with all amounts on deposit therein, to the payment of the principal of and interest, if any, on the City Notes when due under the terms of the Redevelopment Agreement and in accordance with the debt service schedules attached to the City Notes. Upon deposit, the moneys on deposit in the Project Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the Project Account. All moneys on deposit in the Project Account shall be used to pay the principal of and interest on the City Notes at maturity or upon payment or redemption prior to maturity, in accordance with the terms of such note, which payments from the Project Account are hereby authorized and appropriated by the City. Upon payment of all amounts due under the City Notes and the Redevelopment Agreement in accordance with their terms, the amounts on deposit in the Project Account, as applicable, shall be deposited in the Fund of the City and the Project Account shall be closed.

Notwithstanding any of the foregoing, payments on the City Notes will be subject to the availability of Incremental Taxes in the Project Account.

The City Tax-Exempt Note shall be subordinate to the Prior TIF Financing (as such term is defined in the Redevelopment Agreement). The City Taxable Note shall be subordinated to the City Tax-Exempt Note and the Prior TIF Financing and shall be payable from amounts on deposit in the Project Account available after the payment in full of debt service due and owing on the City Tax-Exempt Note.

SECTION 10. The City Notes are special limited obligations of the City. The City Notes are payable solely from Available Incremental Taxes, and shall be a valid claim of the registered owners thereof only against said sources. The City Notes shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any constitutional or statutory provision. The registered owner(s) of the City Notes shall not have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of or interest on the City Notes.

SECTION 11. Moneys on deposit in the Fund or the Project Account, as the case may be, may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago (the "Municipal Code"). Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on the City Notes.

SECTION 12. The City is hereby authorized to sell and convey the City Property, and any portion of the Vacated Property reverting to the City upon the recording of the Vacation Ordinance and a plat of vacation, to Lake Park or affiliates thereof for the sum of One Dollar (\$1.00) plus any consideration specified in the Vacation Ordinance, in accordance with and subject to the terms of the Redevelopment Agreement. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed ^ conveying the City Property and any Vacated Property reverting to the City to Lake Park or affiliates thereof for the consideration described therein and otherwise in accordance with and subject to the terms of the Redevelopment Agreement.

SECTION 13. The Mayor, the Authorized Officer, the City Clerk or any Deputy Clerk, the Commissioner (or his or her designee) and the other officers of the City are authorized to

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executed and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this Ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this Ordinance.

SECTION 14. The Registrar shall maintain a list of the names and address of the registered owners from time to time of the City Notes and upon any transfer shall add the name and address of the new registered owner and eliminate the name and address of the transferor.

SECTION 15. The provisions of this Ordinance shall constitute a contract between the . City and the registered owners of the City Notes. All covenants relating to the City Notes are enforceable by the registered owners of the City Notes.

SECTION 16. 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 17. All ordinances (including, but not limited to, that certain ordinance adopted by the City Council on November 3, 2010 and published at pages 103088 through 103415 of the Journal), resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 18. This ordinance shall be in full force and effect immediately upon its passage and approval.

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Exhibit A Legal Description of City Property

(Subject to Final Survey and Title Commitment)

PARCEL 1:

LOT 1 AND THE NORTH Vi OF THE EAST-WEST ALLEY LYING SOUTH AND ADJOINING LOT 1, ALSO THE EAST Vi OF THE 66 FOOT RIGHT OF WAY OF SOUTH LAKE PARK AVENUE VACATED BY DOCUMENT 19999493, LYING WEST OF AND ADJOINING SAID LOT 1 AND NORTH OF THE CENTER LINE OF SAID EAST-WEST ALLEY EXTENDED WEST (EXCEPTING THEREFROM THAT PART OF LOT 1 AND THE NORTH Vi OF THE EAST-WEST ALLEY SOUTH AND ADJOINING LOT 1 LYING EASTERLY OF A LINE 80 FEET WESTERLY OF AND CONCENTRIC TO THE WESTERLY LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD) IN CHURCH'S SUBDIVISION OF LOT 4 AND THE SOUTH Vi OF LOT 3, IN BLOCK 19 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST Vi OF THE SOUTHEAST 1/4 AND THE EAST Vi OF THE NORTHEAST 1/4 OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 12, AND THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 5142 SOUTH LAKE PARK AVENUE

CHICAGO, ILLINOIS

PROPERTY INDEX NOS: 20-11 -406-018-0000

PARCEL 2: ,

LOTS 2 AND 3 AND THE SOUTH Vi OF THE EAST-WEST ALLEY LYING NORTH AND ADJOINING SAID LOTS ALSO THE EAST Vi OF THE 66 FOOT RIGHT OF WAY OF SOUTH LAKE PARK AVENUE VACATED BY DOCUMENT 19999493, LYING WEST OF AND ADJOINING SAID LOT 2 AND SOUTH OF THE CENTER LINE OF SAID EAST-WEST ALLEY EXTENDED WEST (EXCEPTING THEREFROM THAT PART OF LOT 3 AND THE SOUTH Vi OF THE EAST-WEST ALLEY NORTH AND ADJOINING LOT 3 LYING EASTERLY OF A LINE 80 FEET WESTERLY OF AND CONCENTRIC TO THE WESTERLY LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD) IN CHURCH'S SUBDIVISION OF LOT 4 AND i THE SOUTH Vi OF LOT 3, IN BLOCK 19 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST Vi OF THE SOUTHEAST 1/4 AND THE EAST Vi OF THE NORTHEAST % OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 12, AND THE NORTHEAST % OF THE NORTHEAST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 5158 SOUTH LAKE PARK AVENUE

CHICAGO, ILLINOIS

PROPERTY INDEX NOS: 20-11-406-028-0000

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PARCEL 3:

LOT 2 AND THE NORTH $\frac{1}{2}$ OF LOT 3, ALSO THE EAST $\frac{1}{2}$ OF THE 66 FOOT RIGHT OF WAY OF SOUTH LAKE PARK AVENUE VACATED BY DOCUMENT 19999493, LYINGS/VEST AND ADJOINING LOT 2 AND THE NORTH $\frac{1}{2}$ OF LOT 3 IN BLOCK 19, (EXCEPTING THEREFROM THAT PART OF LOT 2 AND THE NORTH $\frac{1}{2}$ OF LOT 3 LYING EASTERLY OF A LINE 80 FEET WESTERLY OF AND CONCENTRIC TO THE WESTERLY LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD), IN HYDE PARK, BEING A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 11 AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL $\frac{1}{4}$ OF SECTION 12 AND THE NORTHEAST $\frac{1}{4}$ OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 5326 SOUTH LAKE PARK AVENUE

CHICAGO, ILLINOIS

PROPERTY INDEX NOS: 20-11-406-031-0000

PARCEL 4:

THAT PART OF LOT 1 IN BLOCK 19 LYING SOUTH OF THE NORTH LINE OF THE SOUTH 20 FEET OF LOT 3 IN BLOCK 20 EXTENDED EAST, ALSO THE EAST $\frac{1}{2}$ OF THE 66 FOOT RIGHT OF WAY OF SOUTH LAKE PARK AVENUE VACATED BY DOCUMENT 19999493, LYING WEST OF AND ADJOINING SAID PART OF LOT 1 (EXCEPTING THEREFROM THAT PART OF SAID LOT 1 LYING EASTERLY OF A LINE 80 FEET WESTERLY OF AND CONCENTRIC TO THE WESTERLY LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD) IN HYDE PARK, BEING A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL $\frac{1}{4}$ OF SECTION 12, AND THE NORTHEAST $\frac{1}{4}$ OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 5356 SOUTH LAKE PARK AVENUE

CHICAGO, ILLINOIS

PROPERTY INDEX NOS: 20-11-406-035-0000

PARCEL 5: -

LOTS 19 TO 27 BOTH INCLUSIVE, IN BLOCK 2 IN WAITE'S SUBDIVISION OF LOTS 4 TO 15 BOTH INCLUSIVE, IN BLOCK 20 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 11 AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL $\frac{1}{4}$ OF SECTION 12 AND THE NORTHEAST $\frac{1}{4}$ OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: _

CHICAGO, ILLINOIS

PROPERTY INDEX NOS: 20-11-412-051-0000

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PARCEL 6:

LOTS 6 TO 15, ALSO THE WEST $\frac{1}{2}$ OF THE 66 FOOT RIGHT OF WAY OF SOUTH LAKE PARK AVENUE VACATED BY DOCUMENT 19999493, LYING EAST AND ADJOINING LOTS 6 TO 15 IN BLOCK 1 IN WAITE'S SUBDIVISION OF LOTS 4 TO 15, BOTH INCLUSIVE, IN BLOCK 20 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 11 AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL $\frac{1}{4}$ OF SECTION 12 AND THE NORTHEAST $\frac{1}{4}$ OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: _

CHICAGO, ILLINOIS

PROPERTY INDEX NOS: 20-11-412-052-0000

PARCEL 7:

THE EAST 90 FEET OF THE SOUTH 20 FEET OF LOT 3 ALSO THE WEST $\frac{1}{2}$ OF THE 66 FOOT RIGHT OF

WAY OF SOUTH LAKE PARK AVENUE VACATED BY DOCUMENT 19999493, LYING EAST OF AND ADJOINING SAID EAST 90 FEET OF THE SOUTH 20 FEET OF LOT 3 IN BLOCK 20 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 11 AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL $\frac{1}{4}$ OF SECTION 12 AND THE NORTHEAST $\frac{1}{4}$ OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 5223 SOUTH LAKE PARK AVENUE
CHICAGO, ILLINOIS

PROPERTY INDEX NOS: 20-11-412-024

PARCEL 8:

THE SOUTH 20 FEET OF LOT 3 (EXCEPT THE EAST 90 FEET THEREOF) IN BLOCK 20 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 11 AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL $\frac{1}{4}$ OF SECTION 12, AND THE NORTHEAST $\frac{1}{4}$ OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 5221 SOUTH LAKE PARK AVENUE
CHICAGO, ILLINOIS

PROPERTY INDEX NOS: 20-11-412-033-0000

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Exhibit B

Legal Description of Lake Park Property

(Subject to Final Survey and Title Commitment)

HARPER COURT SITE:

THE WEST 29.86 FEET OF LOTS 1 AND 2 AND THE WEST 29.86 FEET OF LOT 3 (EXCEPT THE SOUTH 20 FEET THEREOF), LOTS 16, 17 AND 18 (EXCEPT THE WEST 14 FEET OF THE NORTH 90 FEET OF SAID LOTS 17 AND 18, TAKEN AS A TRACT) ALL IN BLOCK 20 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION, 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL $\frac{1}{4}$ OF SECTION 12, AND THE NORTHEAST $\frac{1}{4}$ OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO LOTS 3 AND 4 AND THE SOUTH $\frac{1}{2}$ OF LOT 2 IN BLOCK 21 IN HYDE PARK SUBDIVISION AFORESAID.

ALSO THAT PART OF SOUTH HARPER AVENUE LYING NORTH OF THE SOUTH LINE OF LOT 4 IN BLOCK 21 IN SAID HYDE PARK SUBDIVISION, EXTENDED EAST AND LYING SOUTH OF A LINE THAT IS 90 FEET SOUTH OF AND PARALLEL TO THE SOUTH LINE OF EAST 52nd STREET EXTENDED.

ALSO LOT 11 (EXCEPT THE WEST 14 FEET THEREOF AND EXCEPT THE SOUTH 4.94 FEET OF SAID LOT 11), LOTS 12, 13, 14 AND 15 (EXCEPT THE WEST 14 FEET OF SAID LOTS 12, 13, 14 AND 15), LOT 16 (EXCEPT THE WEST 14 FEET OF THE SOUTH $\frac{1}{2}$ OF SAID LOT 16) AND ALL OF LOTS 17 AND 18 IN BLOCK 2 IN WAITE SUBDIVISION OF LOTS 4 TO 15 INCLUSIVE IN BLOCK 20 OF HYDE PARK SUBDIVISION AFORESAID, ALL IN COOK COUNTY, ILLINOIS.

HOLLYWOOD VIDEO SITE:

PARCEL 1:

LOTS 1 THROUGH 5 IN BLOCK 1 IN WAITE'S SUBDIVISION OF LOTS 4 THROUGH 15 IN BLOCK 20 IN HYDE PARK, A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 11 AND THE NORTH PART OF THE SOUTHWEST $\frac{1}{4}$ OF SECTION 12 AND THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE WEST 33 FEET OF VACATED LAKE PARK AVENUE LYING EAST OF AND ADJOINING LOTS 1 THROUGH 5 IN BLOCK 1 IN WAITE'S SUBDIVISION OF LOTS 4 THROUGH 15 IN BLOCK 20 IN HYDE PARK, IN COOK COUNTY, ILLINOIS.

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Exhibit C Depiction of Vacated Property

(Subject to Final Survey, Title Commitment and Plat of Vacation)
(See Attached)
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HARPER COURT

Exhibit D Redevelopment Agreement

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**53rd STREET REDEVELOPMENT PROJECT AREA
HARPER COURT REDEVELOPMENT AGREEMENT**

BY AND AMONG
THE CITY OF CHICAGO, CJUF MI HARPER COURT LLC AND
LAKE PARK ASSOCIATES, INC.

This agreement was prepared by and after recording return to: Saundra N. Fried, Esq. City of Chicago Law
Department 121 North LaSalle Street, Room 600 Chicago, IL 60602

LIST OF EXHIBITS

Exhib Exhibi Exhib Exhib: Exhib Exhib
Exhib Exhib Exhib Exhib

tA
it B-1 it B-2 tB-3 tB-4 tB-5 tB-6

tc
tD f E tF tG tH-1 tH-2 tl t J tK t L t M-1 t M-2 tN

- *Redevelopment Area
- *Project Site (Depiction)
- *Project Site (Legal Description)
- *Property (Legal Description)
- *Site Plan for All Phases of Development
- *Schematic Plans
- *Site Plan for Project
- *TIF-Funded Improvements
- Redevelopment Plan
- Construction Contract
- Escrow Agreement *Permitted Liens *Project Budget *MBEA/VBE Budget
- Approved Prior Expenditures
- Opinions of Developer Counsel
- Form of Payment Bond
- Requisition Form *Form of City Note A
- * Form of City Note B
- * Form of Subordination Agreement

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

[leave blank 3" x 5" space for recorder's office]

This agreement was prepared by and
after recording return to:

Saundra N. Fried, Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

HARPER COURT REDEVELOPMENT AGREEMENT

This Harper Court Redevelopment Agreement (this "Agreement") is made as of this_ day of_, 2011, by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing and Economic Development ("DHED"), CJUF III Harper Court LLC, a Delaware limited liability company ("Harper Court") and Lake Park Associates, Inc., an Illinois corporation ("Lake Park" and, together with Harper Court, the "Developer").

RECITALS ^s

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on January 10, 2001: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 53rd Street Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the 53rd Street Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 53rd Street Redevelopment Project Area" (the "TIF Adoption Ordinance") (items(1)-(3) collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Property: The development site is located in the Redevelopment Area at the northwest corner of 53rd Street and Lake Park Avenue and includes approximately 3.25 acres. The City is the owner of a portion of the development site consisting of approximately 67,500 square feet (the "City Land"). The City Land is currently improved with a surface parking lot containing approximately 170 parking spaces. Lake Park is the owner of certain adjacent land consisting of approximately 74,000 square feet (the "Lake Park Land"). The development site also includes certain property extending into, under and over existing public rights of way, the rights to which shall be vacated pursuant to a separate City of Chicago, Department of Transportation ("CDOT") ordinance ("Vacation Ordinance") and in accordance with, subject to the terms of, and as shown on the Plat of Vacation and Dedication (the "Vacated Property"). The City Land, the Lake Park Land and the Vacated Property are collectively referred to herein as the "Project Site." The Project Site is depicted in Exhibit B-1 attached hereto and more particularly described in Exhibit B-2 attached hereto. The Project Site will be developed in phases: This Agreement covers the first phase of development by the Developer, consisting of an Office Building, Underground Parking Facility, Retail Base Building, Vertical Improvements Infrastructure, Streetscaping and Street Parking (as such terms are hereinafter defined). The first phase of development will be constructed on a portion of the Project Site, as depicted with diagonal lines on Exhibit B-1 attached hereto and more particularly described in Exhibit B-3 attached hereto (the "Property"). It is anticipated that a third-party Hotel Developer will undertake the contemporaneous development and opening of the Hotel with the Project. It is further anticipated that subsequent phases of development will include construction of the Residential Tower, Multi-Family Building I and Multi-Family Building II (collectively, with the Hotel and the Project as defined in Recital E. below, the "Harper Court Development"). Exhibit B-4 attached hereto and made a part hereof depicts the anticipated locations of the Hotel, the Residential Tower, Multi-Family Building I and Multi-Family Building II. Prior to issuance of the Certificate of Completion in accordance with Section 7.01 of this Agreement, Harper Court shall subdivide the Project Site into vertical parcels (each, an "Air Rights Parcel" and collectively, the "Air Rights Parcels") for the purpose of constructing the Hotel, the Residential Tower and Multi-Family Building I (collectively, the "Vertical Improvements") thereon. Each Air Rights Parcel within the vertical subdivision shall be subject to the rights and obligations under this Agreement, and the legal description referenced herein for the Project Site shall be modified to reflect the legal descriptions associated with each vertical Air Rights Parcel. The development of the Air Rights Parcels may be the subject of one or more future redevelopment agreements. It is anticipated that portions of the Property may be submitted to the Illinois Condominium Act at the election of Harper Court or the developer of such portions of the Property.

E. The Project: Lake Park is, on the date hereof acquiring the City Land (but not the Vacated Property, the rights to which shall be transferred to Lake Park under separate CDOT terms and by the recording of the Vacation Ordinance and Plat of Vacation and Dedication) from the City (the "Acquisition"), and simultaneously conveying a leasehold interest in the Property to Harper Court pursuant to a Ground Lease (as defined

herein). Within the time frames set forth in Section

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3.01 hereof, Harper Court shall commence and complete the redevelopment of the Property as a mixed-use project consisting of the following components: (a) construction of an up to 12-story building, consisting of approximately 40 below-grade parking spaces, approximately 32,000 square feet of ground floor retail, approximately 40 parking spaces on a second level parking deck, approximately 30,000 square feet of retail space on the third floor and approximately 150,000 square feet of Class A office space on all floors above the third floor (collectively, the "Office Building"); (b) construction of approximately 175 additional below-grade parking spaces covering most of the Property and providing parking for and access to the Office Building, Hotel and Retail Base Building (as hereinafter defined) at various points (the "Underground Parking Facility"); (c) construction of a two-story building on top of a portion of the Underground Parking Facility and connecting to the Office Building at various points, containing approximately 15,000 square feet of additional ground floor retail and a second-level parking deck with approximately 66 enclosed and 50 open air parking spaces (the "Retail Base Building"); (d) construction of the infrastructure improvements necessary to support the construction of the Hotel, Residential Tower and Multi Family Building I (the "Vertical Improvements Infrastructure"), (e) construction and dedication of public right-of-way and other public infrastructure improvements, including, without limitation, improvements to adjoining sidewalks (the "Streetscaping"), and (f) construction of 23 street parking spaces (the "Street Parking"). The Office Building, the Underground Parking Facility, the Retail Base Building, the Vertical Improvements Infrastructure, the Streetscaping, the Street Parking and all related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project" and will conform to the schematic plans attached hereto as Exhibit B-5 (as amended in accordance with this Agreement, the "Schematic Plans") and the site plan attached hereto as Exhibit B-6 (as amended in accordance with this Agreement, the "Site Plan"). The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

F. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago 53rd Street Redevelopment Project Area Plan and Project (the "Redevelopment Plan") attached hereto as Exhibit D.

G. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) the proceeds of City Note A and City Note B (as defined below) and (ii) Maximum Incremental Taxes (as defined below), to pay for or reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and the City Note.

In addition, the City may, in its discretion, issue tax increment allocation bonds ("TIF Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "TIF Bond Ordinance") at a later date the proceeds of which (the "TIF Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes (including any such payment made pursuant to any City Note provided to Harper Court pursuant to this Agreement), to make payments of principal and interest on the City Note, or in order to reimburse the City for the costs of TIF-Funded Improvements.

H. Prior TIF Financing. Pursuant to an ordinance adopted by the City Council on September 13, 2006, and published in the Journal of Proceedings of the City Council for said date at pages 83420 to 83440, the City extended the Small Business Improvement Fund program within the Redevelopment Area in the amount of \$750,000 (the "Prior TIF Financing"). The Developer acknowledges that the Prior TIF Financing is a prior lien on the 53rd Street TIF Fund and that the Developer has no claim on any monies except for monies which are Maximum Incremental Taxes.

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS.

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

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

"Actual Residents of the City" shall have the meaning as set forth in Section 10.02 hereof.

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

"Affiliate" shall mean any person or entity directly or indirectly controlling, controlled by or under common control with Harper Court or Lake Park, as the context requires.

"Affordable Housing Requirements" shall mean the requirements set forth in the City's Affordable Housing Ordinance (Section 2-45-110 of the Chicago Municipal Code), as amended and supplemented from time to time. Such ordinance, as of the Closing Date, requires that 20% of the units in the Residential Tower, Multi-Family Building I and Multi-Family Building II must be affordable to households earning up to 60% of the Chicago-area median income (if rental) and 100% of the Chicago-area median income (if for-sale).

"Air Rights Parcels" shall have the meaning set forth in the Recitals hereof.

"Annual Compliance Report" shall mean a signed report from Harper Court to the City in accordance with Section 8.24. The obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Occupancy Covenant (Section 8.06); (2) delivery, of Financial Statements and unaudited financial statements (Section 8.13); (3) delivery of updated insurance certificates, if applicable (Section 8.14); (4) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (5) delivery of evidence that LEED Certification has been obtained (Section 8.20); [(6) delivery of a substitute Letter of Credit, if applicable (Section 8.25;1 and (7) compliance with all other executory provisions of this Agreement.

"Approved Debt Service (City Note A)" for any given payment, shall mean the amount of debt service due and owing on City Note A as set forth in the Principal Payment Record exhibit for City Note A for such payment plus the interest due on such payment amount,

"Approved Debt Service (City Note BV for any given payment, shall mean the amount of debt service due and owing on City Note B as set forth in the Principal Payment Record exhibit for City Note B for such payment plus the interest due on such payment amount.

"Approved TIF Mortgage Interest Payment" for any given year, shall mean the amount of TIF Funds earmarked by the City to pay interest costs on Lender Financing that are incurred by the

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Developer for the Project which are paid directly from the 53 Street TIF Fund in the maximum amount of_, such amount not exceeding in any one year thirty percent (30%) of the annual interest costs on Lender Financing incurred by the Developer with regard to the Project during any given year,

"Available Incremental Taxes (City Note A)" shall mean for any given year of calculation, the lesser of (i) the Maximum Incremental Taxes, and (ii) Approved Debt Service (City Note A).

"Available Incremental Taxes (City Note B)" shall mean for any given year of calculation, the lowest of (i) the amount of Maximum Incremental Taxes minus Available Incremental Taxes (City Note A) and minus Approved TIF Mortgage Interest Payment, (ii) the PIN Generated Incremental Taxes, and (iii) Approved Debt Service (City Note B).

"Available Incremental Taxes (Approved Mortgage Interest Payment)" shall mean for any given year of calculation, the lowest of (i) the amount of Maximum Incremental Taxes minus Available Incremental Taxes (City Note A), and (ii) Approved TIF Mortgage Interest Payment.

"Available Project Funds" shall mean: (i) the undisbursed City Funds held in Escrow; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity, (iv) any other undisbursed amounts on deposit in Escrow for use in completing the Project, and (v) any other amounts deposited by the Developer pursuant to this Agreement.

"Bond(s)" shall have the meaning set forth for such term in Section 8.05 hereof.

"Business Relationship" shall have the meaning set forth for such term in Section 2-156-080 of the Municipal Code of Chicago.

"CDOT" shall mean the City's Department of Transportation or any successor department thereto.

"CDOT Letter of Credit" shall mean that irrevocable, direct pay Letter of Credit with a declining balance, issued by a financial institution in a form acceptable to CDOT, in its sole discretion, naming the City as the sole beneficiary and which has been delivered, on or before the Closing Date, to the City in the amount of \$_ [THIS AMOUNT SHALL BE

DETERMINED BY CDOT IN ITS SOLE DISCRETION AFTER REVIEW OF ALL NECESSARY DOCUMENTS SUBMITTED BY THE DEVELOPER TO CDOT] for construction in the public way, the vacation and dedication of public ways, and all grants of privilege or easements for the Project, and determination of all of said sum securing construction in the public way, the vacation and dedication of public ways, and all grants of privilege or easements for the Project and providing by its terms for the payment to the City upon the City's submission of a certificate stating that the City is entitled to draw upon such CDOT Letter of Credit due to an Event of Default under the terms of this Agreement.

"Certificate of Completion" shall mean the Certificate of Completion of Construction described in Section 7.01 hereof.

"Certificate of Expenditure" shall mean any Certificate of Expenditure referenced in the City Notes pursuant to which the principal amount of the City Notes will be established.

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

"City Contract" shall have the meaning set forth in Section 8.01(1) hereof.

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

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"City Fee" shall mean the fee described in Section 4.05(b) hereof. ,

"City Funds" shall mean the funds described in Section 4.03(b) and shall be no more than an aggregate principal amount of \$20,045,000.

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

"City Note A" shall mean the tax-exempt City of Chicago Tax Increment Allocation Revenue Note (Harper Court Redevelopment Project), to be in the form attached hereto as Exhibit M-1, in the maximum principal amount of \$14,000,000, issued by the City to Harper Court on or as of the date hereof. City Note A shall bear interest at the City Note A Interest Rate and shall provide for accrued, but unpaid, interest to bear interest at the same annual rate. The maximum principal amount of the City Note A issued on the Closing Date shall be \$14,000,000 minus the amount of the Approved TIF Mortgage Interest Payment. .

"City Note B" shall mean the taxable City of Chicago Tax Increment Allocation Revenue Note (Harper Court Redevelopment Project), to be in the form attached hereto as Exhibit M-2, in the maximum principal amount of \$4,045,000, issued by the City to Lake Park as provided herein. City Note B shall bear interest at the City Note B Interest Rate and shall provide for accrued, but unpaid, interest to bear interest at the same annual rate.

"City Notes" shall mean, collectively, City Note A and City Note B.

"City Note A Interest Rate" shall mean an annual rate equal to the median value of the BBB (municipal market data) G.O. Bond rate (20 year) as published by Thompson-Reuters Municipal Market Data ("MMD") for 15 business days before City Note A is issued plus 300 basis points, but in no event exceeding eight and one-half percent (8.50%) per annum).

"City Note B Interest Rate" shall mean an annual interest rate equal to the median value of the Corporate BBB Bond Index Rate (20-year) as published by Bloomberg on the last business day prior to the date of issuance of City Note B plus 165 basis points, but in no event exceeding nine percent (9%) per annum.

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"CJUF" shall mean Canyon-Johnson Urban Fund III, L.P., a Delaware limited partnership. "Closing Date" shall mean__2011 /

"COC Occupancy Covenant" shall have the meaning set forth for such term in Section 8.06 hereof.

"Commissioner" shall mean the Commissioner of DHED.

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"Concession Agreement" shall mean that certain Chicago Metered Parking System Concession Agreement dated as of December 4, 2008 by and between the City and Chicago Parking Meters, LLC, a Delaware limited liability company.

"Conditions Precedent to Construction" shall have the meaning set forth in Section 3.06 hereof.

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"Conditions Precedent to Construction Date" shall have the meaning set forth in Section 3.06 hereof.

"Construction Commencement Date" shall have the meaning set forth in Section 3.01(0) hereof.

"Construction Completion Date" shall have the meaning set forth in Section 3.01 (ii) hereof.

"Construction Contract" shall mean that certain contract, substantially in the form attached hereto as Exhibit E. to be entered into between Harper Court and the General Contractor providing for construction of the Project. ,

"Contract" shall have the meaning set forth in Section 10.03 hereof.

"Contractor" shall have the meaning set forth in Section 10.03 hereof.

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

"Deed" shall have the meaning set forth in Section 3.13(b) hereof.

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

"Developer Parties" shall have the meaning set forth in Section 3.13(g) hereof.

"DHED" shall mean the City's Department of Housing and Economic Development, or any successor department thereto.

"DOE" shall mean the City's Department of Environment, or any successor department thereto.

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

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

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"Environmental Remediation" shall have the meaning set forth in Section 11.03.

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

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

"Escrow Agent" shall mean [Title Company/Bond Trustee].

"Escrow Agreement" shall mean the escrow agreement establishing a construction escrow, to be entered into as of the date hereof among the City, the Escrow Agent, the Developer, the Lender and the General Contractor, substantially in the form of Exhibit F attached hereto, which shall govern the funding of the Equity, the Lender Financing and the City Funds.

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

"Existing Mortgages" shall have the meaning set forth in Article 16 hereof.

"53rd Street TIF Fund" shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

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

"Five Year Anniversary" shall mean the date which is five years after the date of issuance of the Certificate of Completion pursuant to Section 7.01.

"General Contractor" shall mean the general contractor(s) hired by Harper Court pursuant to Section 6.01.

"Ground Lease" shall mean that certain ground lease of the Property by and between Lake Park and Harper Court dated as of __, as hereafter amended from time to time. Any material amendments to the Ground Lease shall be subject to the reasonable approval of the City. Nothing in the Ground Lease shall be construed to limit, diminish or amend the Developer's obligations hereunder. Developer understands and agrees that the City's review of the Ground Lease does not constitute approval of any terms therein that conflict with the terms of this Agreement or in any way limit, diminish or

amend the Developer's obligations hereunder.

"Harper Court" shall have the meaning set forth in the Recitals hereof, or any assignees or successors hereto pursuant to Section 18.15 hereof.

"Harper Court Development" shall mean the Project, Hotel, Residential Tower, Multi-Family Building I and Multi-Family Building II.

"Harper Court Ordinance" shall mean the City ordinances adopted on November 3, 2010 and __, 2011 authorizing the execution of this Agreement.

"Hazardous Materials" shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such

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in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

"Hotel" shall mean a hotel tower having not less than __ square feet of gross building area to be constructed in the location depicted in the Schematic Plans.

"Hotel Developer" shall mean __._.

"Hotel Property" shall mean all of the real property development rights, title and ownership interests associated with the Hotel, including, without limitation: the fee simple interest or leasehold interest in the Air Rights Parcel in which the Hotel will be constructed and in the associated Vertical Improvements Infrastructure which relate solely to the Hotel; all construction, support, ingress, egress and access easements; all rights under any reciprocal easement agreements, common area, shared usage and similar agreements relating to the operation of the Hotel as part of the Harper Court Development; all improvements made to the Hotel Property; and all other appurtenances to the ownership of the Hotel.

"Hotel Transaction" shall mean the assignment and conveyance of the Hotel Property to the Hotel Developer.

"Human Rights Ordinance" shall have the meaning set forth in Section 10 hereof.

"IEPA" shall mean the Illinois Environmental Protection Agency.

"In Balance" shall have the meaning set forth in Section 4.07(g) hereof.

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11 -74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the 53rd Street Development Project Area TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"Indemnitee" and "Indemnitees" shall have the meanings set forth in Section 13.01 hereof.

"Lake Park" shall have the meaning set forth in the Recitals hereof, or any assignees or successors hereto pursuant to Section 18.15 hereof.

"Lake Park Land" shall have the meaning set forth in the Recitals hereof.

"Laws" shall mean 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 Chicago relating to waste disposal

"LEED" shall mean the Leadership in Energy and Environmental Design (LEED) Green Building Rating System maintained by the U.S. Green Building Council.

"Lender" shall mean any provider Of Lender Financing.

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"Lender Financing" shall mean funds borrowed by Harper Court from any provider of funds and available to pay for Project costs, in the amount set forth in Section 4.01 hereof.

"Lock-Out Period" shall have the meaning set forth in Section 4.03(b)(i) hereof.

"Losses" shall mean any and all debts, liens, claims, actions, causes of action, suits, demands, complaints, legal or administrative proceedings, losses, damages, assessments, obligations, liabilities, executions, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs, expenses, and disbursements of any kind or nature whatsoever (including, without limitation, Remediation Costs, reasonable attorneys' fees and expenses, consultants' fees and expenses and court costs).

"Maximum Incremental Taxes" shall mean an amount from the Incremental Taxes which are received and that

have been deposited in the 53rd Street Redevelopment Project Area TIF Fund as of December 31 of a calendar year and which are available for the financing or payment of Redevelopment Project Costs after deducting (i) the City Fee, and (ii) amounts previously allocated or pledged by the City as Prior TIF Financing as defined in Recital G and the TIF Escrow Payment.

"MBE(s)" 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.

"MBEAA/BE Budget" shall mean the budget attached hereto as Exhibit H-2. as described in Section 10.03.

"MBEAA/BE Program" shall have the meaning set forth in Section 10.03 hereof.

"Multi-Family Building I" shall mean___. Multi-Family Building I shall be subject to the Affordable Housing Requirements.

"Multi-Family Building II" shall mean___. Multi-Family Building II shall be subject to the Affordable Housing Requirements.

"Municipal Code" shall mean the Municipal Code of the City of Chicago.

"New Mortgage" shall have the meaning set forth in Article 16 hereof.

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

"Office Building" shall have the meaning set forth in the Recitals hereof.

"Office Lease" shall mean__

"Office Space" shall mean the office space in the Office Building.

"Option to Purchase" shall mean either (1) Harper Court's option to purchase the Property from Lake Park pursuant to Section__of the Ground Lease, or (2) Lake Park's option to purchase

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the Office Building and required related parking as set forth in that certain Shared Return Agreement dated as of__between Harper Court and Lake Park.

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

"Permitted Mortgage" shall have the meaning set forth in Article 16 hereof.

"PD" shall mean Planned Development No. [].

"Phase I Report" shall have the meaning set forth in Section 11.01 hereof.

"PIN Generated Incremental Taxes" shall mean the Incremental Taxes deposited in the 53rd Street TIF Fund attributable to the taxes levied upon the Property from the first instance in which the Project affected said taxes.

"Plans and Specifications" shall mean initial construction documents, and any amendments thereto, containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

"Plat of Vacation and Dedication" shall mean that certain Plat of Vacation and Dedication prepared by__, dated__, and approved by the City by ordinance adopted on

"Prior Expenditure^)" shall have the meaning set forth in Section 4.05(a) hereof. "Prior TIF Financing" shall have the meaning set forth in the Recitals hereof. "Project" shall have the meaning set forth in the Recitals hereof.

"Project Budget" shall mean the budget attached hereto as Exhibit H-1, showing the total cost of the Project by line item, furnished by Harper Court to DHED, in accordance with Section 3.03 hereof.

"Project Site" shall have the meaning set forth in the Recitals hereof.

"Property" shall have the meaning set-forth in the Recitals hereof.

"Purchase Price" shall have the meaning set forth in Section 3.13(a) hereof.

"Redevelopment Area" shall have the meaning set forth in the Recitals hereof.

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

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

"Related Entities" shall have the meaning set forth in Section 5.06 hereof.

"Released Claims" shall have the meaning set forth for such term in Section 3.13(g) hereof.

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"Remediation Costs" shall mean governmental or regulatory body response costs, natural resource damages, property 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 Property or any improvements, facilities or operations located or formerly located thereon.

"Reporting Period" shall have the meaning as set forth in Section 8.24 hereof.

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit L, to be delivered by Harper Court or Lake Park, as the case may be, to DHED pursuant to Section 4.04 of this Agreement.

"Residential Tower" shall mean a residential tower having not less than square feet of

gross building area, to be constructed on top of the Retail Base Building in the location depicted in the Schematic Plans. The Residential Tower shall be subject to Affordable Housing Requirements.

"Retail Base Building" shall have the meaning set forth in the Recitals hereof.

"Retail Space" shall mean the retail space in the Office Building and the Retail Base Building.

"Schematic Plans" shall have the meaning set forth in the Recitals hereof.

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

"Site Plan" shall have the meaning set forth in the Recitals hereof.

"Street Parking" shall have the meaning set forth in the Recitals hereof.

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

"Subordination Agreement" shall mean a subordination agreement with a Lender substantially in the form attached hereto as Exhibit N.

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

"Ten Year Anniversary" shall mean the date which is ten years after the date of issuance of the Certificate of Completion pursuant to Section 7.01.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on December 31, 2025, the date on which the Redevelopment Area is no longer in effect.

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

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

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

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

"TIF Escrow Payment" shall mean such portion of the City Funds paid at closing from Incremental Taxes as set forth in Section 4.01 hereof.

"TIF Letter of Credit" shall mean that irrevocable, direct pay Letter of Credit with a declining balance, issued by a financial institution in a form acceptable to DHED, in its sole discretion, naming the City as the sole beneficiary and which has been delivered, on or before the Closing Date, to the City in the amount of Two Million Dollars (\$2,000,000), said sum securing the TIF Escrow Payment and providing by its terms for the payment to the City upon the City's submission of a certificate stating that the City is entitled to draw upon such TIF Letter of Credit due to an Event of Default of under the terms of this Agreement.

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

"Title Commitment" shall have the meaning set forth in Section 3.13(c) hereof.

"Title Company" shall mean [].

"Title Policy" shall mean a title insurance policy for the Property, including all endorsements as shall be required by the Corporation Counsel, including but not limited to, an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity (as applicable), location, access and survey, in the most recently revised ALTA or equivalent form, showing Lake Park as the insured upon the conveyance by the City of the City Land, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

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

"Vacated Property" shall have the meaning set forth in the Recitals hereof.

"Vertical Improvements" shall have the meaning set forth in the Recitals hereof.

"Vertical Improvements Infrastructure" shall have the meaning set forth in the Recitals hereof.

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

"WBE(s)" 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 women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

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SECTION 3} THE PROJECT

3.01 The Project. With respect to the Project, Harper Court shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence construction no later than 30 days after the Conditions Precedent to Construction Date (the "Construction Commencement Date"); and (ii) complete construction therein no later than [30 months] after Construction Commencement Date (the "Construction Completion Date"). [THESE DATES NEED TO COORDINATE WITH GROUND LEASE.]

3.02 Delivery and Approval of Plans and Specifications. Harper Court shall deliver the Scope Drawings, Schematic Plans and Plans and Specifications to all appropriate City departments, (including but not limited to, with respect to plans concerning green roof(s)) and DHED for written approval. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DHED as a Change Order in accordance with to Section 3.04 hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the terms and conditions of this Agreement, the PD, the Redevelopment Plan and all applicable Laws, including, without limitation, all zoning and building code requirements. All initial Scope Drawings and Plans and Specifications (and all proposed changes thereto) submitted for approval shall conform with the Schematic Plans and the Site Plan. Harper Court shall submit all necessary documents to CDOT and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. Harper Court has furnished to DHED, and DHED has approved, a Project Budget showing total costs for the Project in an amount not less than [One Hundred Ten Million Five Hundred Nine Thousand Three Hundred Thirty Eight Dollars (\$110,509,338)]. Harper Court hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity described in Section 4.02 hereof, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct and complete in all material respects. Harper Court shall promptly deliver to DHED certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by Harper Court to DHED no later than concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following must be submitted by Harper Court to DHED for DHED's prior written approval: (a) a reduction in the square footage of the Project by more than ten percent (10%); (b) a change in the use of the Property from to a use other than as described in Recital E to this Agreement; (c) subject to Section 18.17, the Construction Completion Date being a date more than 33 months after the Project Commencement Date; (d) any change which would impair the ability of a hotel to be constructed on the Property; or (e) Change Orders that, in the aggregate, increase or decrease the

Project Budget by more than 10%. Harper Court shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by Harper Court of DHED's written approval (to the extent required in this section). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer. Notwithstanding anything to the contrary in this Section 3.04, Change Orders costing less than Twenty-Five Thousand Dollars (\$25,000.00) each, to an aggregate amount of One Hundred

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Thousand Dollars (\$100,000.00), do not require DHED's prior written approval as set forth in this Section 3.04. but DHED shall be notified in writing of all such Change Orders and Harper Court, in connection with such notice, shall identify to DHED the source of funding therefor.

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

3.06 Other Approvals; Conditions Precedent to Construction. Any DHED approval under this Agreement "shall have no effect upon, nor shall it operate as a waiver of, Harper Court's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. Harper Court shall not commence construction of the Project until the following conditions have been satisfied: (a) subject to the terms of Section 3.12 herein, Harper Court has provided the City with the CDOT Letter of Credit and obtained all necessary permits and approvals to commence construction of the Project, including, but not limited to, a public way for compensation grant of privilege or easement for construction in the public way, DHED's approval of the Scope Drawings and Plans and Specifications as provided in Section 3.02 hereof, the Project Budget as provided in Section 3.03 hereof, and all necessary building permits, (b) all parking meters have been removed in accordance with Section 3.09(b) hereof, (c) Harper Court has submitted proof of the General Contractor's and each subcontractor's bonding as required under Section 6.03 hereof, (d) the City Council has passed an ordinance authorizing the vacation and dedication of public right-of-way as depicted in the Plat of Vacation and Dedication and said Plat has been recorded; (e) pending approval of the Vacation Ordinance, the City Council has passed an ordinance authorizing construction of improvements on the Vacated Property pursuant to a for compensation grant of privilege or easement; (f) Lake Park has granted easements to the City in favor of the public over, under, upon and across 52nd Place, Harper Court and any other private streets, sidewalks and related infrastructure improvements, as depicted on Exhibit [B-] attached hereto and made a part hereof, for which Developer is seeking reimbursement from City Funds, such, easements to be satisfactory to the City in its sole and absolute discretion; and (g) Harper Court and Harper Court's General Contractor and all major subcontractors have met with staff from DHED regarding compliance with the MBEEA/BE, city residency hiring and other requirements set forth in Section 10.03 hereof, and DHED has approved Harper Court's compliance plan in accordance with Section 10.03. The date on which items (a) through (g) above (such items collectively referred to herein as the "Conditions Precedent to Construction") shall all have been completed shall be known as the "Conditions Precedent to Construction Date" which shall be no later than [December 31, 2011].

3.07 Progress Reports and Survey Updates. Beginning on the Construction Commencement Date, Harper Court shall provide DHED with written quarterly progress reports detailing the status of the Project, including a revised Construction Completion Date,, if necessary (with any extension of the Construction Completion Date in excess of 90 days being considered a Change Order, requiring DHED's written approval pursuant to Section 3.04). Harper Court shall provide three (3) copies of an updated Survey to DHED upon the request of DHED or the Lender, reflecting improvements made to the Property.

3.08 Inspecting Agent or Architect. An independent agent or architect (other than Harper Court's architect) approved by DHED shall be selected to act as the inspecting agent or architect, at Harper Court's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DHED, prior to

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requests for disbursement for costs related to the Project pursuant to the Escrow Agreement. With the written consent of DHED, the inspecting architect may be the inspecting architect engaged by or on behalf of any Lender and/or Lake Park, provided that said architect is an independent architect licensed by the State of Illinois, or an inspecting agent of DHED.

3.09 Barricades and Parking Meters.

(a) Barricades. Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all Laws. DHED retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

[(b) Parking Meters. If there are any parking meters on the City Land after the conveyance from the City to Lake Park on the Closing Date or the for compensation grant of privilege, easement, or other interest in the Vacated Property on or subsequent to the Closing Date: Developer acknowledges and agrees that the City is conveying the City Land and granting of the for compensation grant of privilege, easement, or other interest in the Vacated Property subject to the Concession Agreement. Developer shall not, during the Term of the Agreement, remove, alter, or be entitled to any revenue from, any parking meters on the City Land or Vacated Property. Prior to the commencement of any demolition, excavation activities and/or construction on the City Land or Vacated Property, the Developer shall obtain the prior written consent of DHED and enter into any and all agreements with the City and/or Chicago Parking Meters, LLC determined necessary by the City regarding the removal of all parking meters on the City Land and Vacated Property. After obtaining the necessary permits and receipt of such consent and the execution of such agreements, Harper Court shall provide ___ days notice to Lake Park and the City Department of Revenue

(Attention_) prior to the Construction Commencement Date, requesting the removal of all parking meters on the City Land and Vacated Property, and the City shall, within ___ days of receipt of such notice by Harper Court, notify Chicago Parking Meters, LLC to remove such parking meters in accordance with the Concession Agreement. Harper Court may not commence any demolition or excavation activities on the City Land or Vacated Property until receipt of building permit(s) for construction of the Project, and may not limit access to any portion of the City Land or Vacated Property until the parking meters have been removed. The City hereby reserves a right of entry on, over, under and across the City Land and Vacated Property on behalf of itself and Chicago Parking Meters, LLC, and their officers, agents, representatives, employees, successors and assigns to operate, maintain and remove the parking meters in accordance with the Concession Agreement. The foregoing right of entry shall terminate upon the removal of the parking meters as aforesaid.]

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

3.11 Utility Connections. Harper Court may connect all on-site water, sanitary, storm and ¹ sewer lines constructed on the Property to City utility lines existing on or near the perimeter of the Property, provided Harper Court first complies with all City requirements then in effect governing such connections, including the payment of customary fees and costs related thereto.

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

3.13 Conveyance of City Land. The following provisions shall govern the City's conveyance of the City Land to Lake Park:

(a) Purchase Price. The City hereby agrees to sell, and Lake Park hereby agrees to purchase on the Closing Date, upon and subject to the terms and conditions of this Agreement, the City Land, for \$1.00 (the "Purchase Price"). Harper Court shall pay all escrow fees and other title \ insurance fees, premiums and closing costs. The Developer acknowledges and agrees that the Purchase Price is approximately \$4,725,770 [\$70.00 per

square foot * 67,511 square feet less than the appraised fair market value of the City Land based on an appraisal dated October 27, 2008, and that the City has only agreed to sell the City Land to Lake Park (for subsequent lease to Harper Court pursuant to the Ground Lease) for the Purchase Price because the Developer has agreed to execute this Agreement and comply with its terms and conditions.

(b) Form of Deed. The City shall convey the City Land to Lake Park by quitclaim deed (the "Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the deed, the following:

- (i) the Redevelopment Plan;
- (ii) the standard exceptions in an ALTA title insurance policy;
- (iii) all general real estate taxes and any special assessments or other taxes (subject to Section 3.13(c) below);
- (iv) all easements, encroachments, covenants and restrictions of record and not shown of record; .
- (v) such other title defects as may exist; and
- (vi) any and all exceptions caused by the acts of Lake Park, Harper Court or their agents.

Other than the obligations set forth in this Agreement or in the Ground Lease with respect to the City Land, Lake Park assumes no other obligation or liability with respect to the legal, physical or environmental condition of the City Land, all such obligations and liabilities being waived and released by the City and Harper Court; provided, however, the foregoing waiver and release shall not apply with respect to the City in the event Lake Park assumes Harper Court's rights, obligations and interests in this Agreement pursuant to Section 15 hereof or exercises its option to purchase the Project under the Right of First Refusal, Option and Shared Return Agreement executed by and between Lake Park and Harper Court concurrently with the execution of the Ground Lease or otherwise acquires the rights of Harper Court as developer under this Agreement, nor shall it apply to obligations and liabilities arising out of the negligence or willful misconduct of Lake Park or its affiliates, and their respective members, shareholders, trustees, . officers, directors, agents or employees. '

(c) Title and Survey. Harper Court has obtained a commitment for an owner's policy of title insurance for the Property, Commitment No. NCS-453855-CHI2, with an effective date of August 23, 2010, issued by First American Title Insurance Company (the "Title Commitment"),

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showing the City in title to the City Land and Lake Park in title to the Lake Park Land. Harper Court shall be solely responsible for and shall pay all costs associated with updating the Title Commitment (including all search, continuation and later date fees), and obtaining the Title Policy. Neither the City nor Lake Park shall have any obligation to cure title defects; provided, however, if there are exceptions for general real estate taxes due or unpaid prior to the Closing Date with respect to the City Land or liens for such unpaid property taxes, the City shall, as applicable, request that the County void the unpaid taxes as provided in Section 21-100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or file a tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. If, after taking the foregoing actions and diligently pursuing same, the City Land remains subject to any tax liens, or if the City Land is encumbered with any other exceptions that would adversely affect the use and insurability of the City Land for the development of the Project, the Developer shall have the option to do one of the following: (a) accept title to the City Land subject to the exceptions; or (b) terminate this Agreement. If the Developer elects not to terminate this Agreement as aforesaid, the Developer agrees to accept title subject to all exceptions. Harper Court has obtained and shall deliver to the City three (3) copies of the Survey at Harper Court's sole cost and expense.

(d) Land Closing. The conveyance of the City Land to Lake Park shall take place on the Closing Date at the downtown offices of the Title Company or such other place as the parties may mutually agree upon in writing; provided, however, in no event shall the closing of the sale of the City Land occur unless Harper Court and Lake Park have each satisfied all conditions precedent set forth in this Agreement, which they are each in turn obligated to satisfy, unless DHED, in its sole discretion, waives such conditions. 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. The City will not provide a gap undertaking. The Land Closing may occur prior to the vacation of the Vacated Property to Lake Park.

(e) Recording Costs. Harper Court shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the City Land to Lake Park.

(f) "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 LAND AND ACCEPTS THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE CITY LAND. THE DEVELOPER AGREES TO ACCEPT THE CITY LAND 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 THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE CITY LAND OR THE SUITABILITY OF THE CITY LAND FOR ANY PURPOSE WHATSOEVER. 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 HARPER COURT'S SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM ANY ENVIRONMENTAL REMEDIATION WORK AND TAKE SUCH OTHER ACTION AS IS NECESSARY TO PUT THE CITY LAND IN A CONDITION WHICH IS SUITABLE FOR ITS INTENDED USE.

(g) Release and Indemnification. The Developer, on behalf of itself and its officers, directors, employees, successors, assigns and anyone claiming by, through or under it ("Developer Parties"), hereby releases, relinquishes and forever discharges the City, its affiliates and their

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respective officers, agents and employees, from and against any and all 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, foreseen or unforeseen, now existing or occurring after the Closing, based upon, arising out of or in any way connected with, directly or indirectly: (a) any environmental contamination, pollution or hazards associated with the City Land 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 Materials, or threatened release, emission or discharge of Hazardous Materials; (b) the structural, physical or environmental condition of the City Land, including, without limitation, the presence or suspected presence of Hazardous Materials in, on, under or about the City Land or the migration of Hazardous Materials from or to other City Land; (c) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any governmental or regulatory body response costs, natural resource damages or Losses arising under CERCLA associated with the City Land, 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 Land or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore, Harper Court shall indemnify, defend (through an attorney reasonably acceptable to the City) and hold the City and its officers, agents and employees harmless from and against any and all Losses which may be made or asserted by any third parties (including, without limitation, any of the Developer Parties) arising out of or in any way connected with, directly or indirectly, any of the Released Claims.

(h) Release Runs with the Land. The covenant of release in Section 3.13(g) above shall run with the City Land, and shall be binding upon all successors and assigns of the Developer with respect to the City Land, 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 Land 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 Land to Lake Park. 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 Land, 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 3.13(g) contains a full, complete and final release of all such claims.

(i) Survival. This Section 3.13 shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

3.14 Ground Lease. Developer acknowledges that the rights and obligations of the parties to the Ground

Lease are in all respects subordinate to the rights granted to the City and the obligations assumed by Developer hereunder.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be [\$110,509,338], to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

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[Lender Financing \$ 65,000,000

Equity (subject to Sections 4.03(b) and 4.06)

Land Contribution \$10,618,561

Land Sales \$ 4,000,000

Developer Equity \$ 14,890,777*

City Funds**

City Note A/Approved TIF Mortgage Payment \$ 14,000,000

City Note B \$ 4,045,000

TIF Escrow Payment \$ 2,000,000

ESTIMATED TOTAL \$111,888,037]

* The proceeds of City Note B (paid over time) will be used to reimburse Developer Equity. ** The maximum amount of City Funds is \$20,045,000.

4.02 Developer Funds. Equity and/or Lender Financing may be used to pay any Project cost, including but not limited to Redevelopment Project Costs.

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(c)). contingent upon receipt by the City of documentation satisfactory in form and substance to DHED evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to pay for or reimburse the Developer for the actual Project costs of the TIF-Funded Improvements in an aggregate amount not to exceed Twenty Million Forty-Five Thousand Dollars (\$20,045,000) (the "City Funds") as follows:

(i) City Note A. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue City Note A to Harper Court on the Closing Date. The principal amount of the City Note shall be in an amount equal to the costs of the TIF-Funded Improvements which have been or are to be incurred by the Developer which are to be reimbursed by the City through payments of principal and interest on City Note A, subject to the provisions hereof; provided, however, that the maximum principal amount of City Note A shall be an amount not to exceed Fourteen Million Dollars (\$14,000,000) [THIS AMOUNT SHALL BE REDUCED BY THE AMOUNT OF THE APPROVED TIF MORTGAGE INTEREST PAYMENT FOR THE EXECUTION COPY OF THIS AGREEMENT]; and provided, further, that the cost of TIF-Funded Improvements shall be certified first to City Note A, up to the maximum principal amount of City Note A, and thereafter to City Note B. Interest on City Note A will accrue at the City Note A Interest Rate from its date of issuance, as more fully described in Exhibit M-1 attached hereto, and will compound annually. City Note A shall be payable from Available Incremental Taxes (City Note A). Payments of principal and interest on City Note A shall be made in accordance with a debt service schedule approved by DHED and attached to City

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Note A. Except as set forth in Section 15.02 hereof, the City may not prepay, without the consent of Harper Court or the registered owner of City Note A, as applicable, City Note A for a period of three years (the "Lock-Out Period") from issuance thereof. After issuance, City Note A may be pledged to a Lender. Harper Court may sell City Note A at any time after the Closing Date, but only to a Qualified Investor with no view to resale and pursuant to, and upon receipt of, an acceptable investment letter and in a manner and on terms, including debt service schedule, otherwise reasonably acceptable to the City. The proceeds of the initial sale of City Note A shall be deposited into Escrow in accordance with the terms of the Escrow Agreement.

⁷ (ii) City Note B. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue City Note B to Lake Park upon on the Closing Date. The principal amount of City Note B shall be in an amount equal to the costs of the TIF-Funded Improvements which have been or are to be incurred by the Developer and are to be reimbursed by the City through payments of principal and interest on City Note B, subject to the provisions hereof; provided, however, that the maximum principal amount of City Note B shall be an amount not to exceed Four Million Forty-Five Thousand Dollars (\$4,045,000); provided, further, if actual Project costs are

less than the budgeted Project costs as set forth in the Project Budget, the principal-) amount of City Note B shall be reduced by \$0.50 for every \$1.00 (or portion thereof) by which the Project Budget exceeds the Final Project Cost. Interest on City Note B will accrue at the City Note B Interest Rate from the date of the issuance of the Certificate of Completion, as more fully described in Exhibit M-2 attached hereto, and will compound annually. City Note B shall be payable from Available Incremental Taxes (City Note B) which shall be calculated after payments made under City Note A, provided that no payments shall be made on City Note B until the issuance of a Certificate of Completion and only after submission of a Requisition Form, provided that payments shall not exceed Available Incremental Taxes (City Note B). The City may prepay principal Of and interest on City Note

■ B at any time. After issuance, City Note B may be pledged to a Lender, but may not be sold without the consent of the City. Notwithstanding any such permitted pledge, the City shall have no obligation to make any payments with respect to City Note B except to Lake Park, and then subject to the conditions set forth in this Agreement, including but not limited to Section 18.15. and in City Note B.

(iii) TIF Escrow Payment. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to fund the Escrow, in accordance with the terms and conditions of the Escrow Agreement, City Funds from Incremental Taxes to pay for and/or reimburse the Developer for (i) the costs of the TIF-Funded Improvements in an amount not to exceed Two Million Dollars (\$2,000,000) which shall be secured by the TIF Letter of Credit (such payment shall be referred to as the "TIF Escrow Payment") and (ii) pay or reimburse the Approved TIF Mortgage Interest Payment, with disbursements to be made pursuant to the terms of the Escrow Agreement and under the terms and conditions agreed to by the City and the Developer therein.

The Developer acknowledges and agrees that the City's obligation to pay any amount due under City Note B or approve draw requests in accordance with the Escrow Agreement for release of all or a portion of the proceeds from the sale of City Note A or the TIF Escrow payments held in Escrow is contingent upon satisfaction of all applicable terms and conditions of this Agreement, including without limitation, compliance with the covenants in Section 8 (Covenants/Representations/ Warranties of the Developer). In the event that such conditions are not fulfilled, the amount of

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Lender Financing and/or Equity to be contributed by Harper Court pursuant to Section 4.01 hereof shall be increased, as necessary, to complete the Project.

Any Incremental Taxes that either (a) are not Maximum Incremental Taxes or (b) are not required to make payments under this Agreement (whether because all currently due payments have been made, because of an Event of Default entitling the City to terminate payments with respect to the City Notes pursuant to Section 15.03. because of the full repayment of the City Notes, or otherwise) shall belong to the City and may be pledged or used for such purposes as the City deems necessary or appropriate.

(c) Letter of Credit. Harper Court shall provide an irrevocable, direct pay Letter of Credit issued by a financial institution and in a form acceptable to the City, in its sole discretion, naming the City as the sole beneficiary and which has been delivered, on or before the Closing Date, to the City in the amount of Two Million Dollars (\$2,000,000) (the "TIF Letter of Credit"), said sum securing the TIF Escrow Payment, providing by its terms for the payment to the City upon the City's submission of a certificate stating that the City is entitled to draw upon such TIF Letter of Credit under the terms of this Agreement. The TIF Letter of Credit [or a substitute therefore] shall be available at all times until the earlier of (i) the issuance of the Certificate of Completion pursuant to Section 7 hereof, or (ii) the expiration of the Term of the Agreement, at which time, the TIF Letter of Credit shall be returned to Harper Court.

4.04 Construction Escrow; Requisition Form. The City, the Developer, the Title Company, the General Contractor and the Lenders shall enter into an Escrow Agreement. All disbursements of City Funds shall be made through the funding of draw requests with respect thereto upon the approval of a Requisition Form submitted by Harper Court or Lake Park, as appropriate, (along with the documentation described therein) pursuant to the Escrow Agreement and this Agreement. In case of any conflict between the terms of this Agreement and the Escrow Agreement, the terms of this Agreement shall control. The City shall receive copies of any draw requests and related documents submitted to the Title Company for disbursements-under the Escrow Agreement and shall be approved, subject to compliance with the terms of this Agreement, in accordance with procedures set forth in the Escrow Agreement. [ESCROW AGREEMENT TO SET FORTH

DRAW MECHANICS ON A PRO RATA BASIS.]

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DHED and approved by DHED as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). DHED shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit I hereto sets forth the prior expenditures approved by DHED as of the Closing Date as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to Section 4.01 hereof.

(b) City Fee. Annually, the City may allocate twenty-five thousand dollars (\$25,000) for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

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(c) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only. Transfers of costs and expenses from one line item to another shall be subject to the prior written approval of DHED, subject to the terms and conditions of Section 3.04 hereof. DHED shall not unreasonably withhold its consent to such transfers so long as the Corporation Counsel has advised DHED that such expenditure qualifies as an eligible cost under the Act.

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

4.07 Preconditions of Disbursement. Prior to each disbursement of City Funds pursuant to the Escrow Agreement, the Developer shall submit, at the time of submission of the Requisition Form in accordance with Section 4.04, supporting documentation regarding the applicable expenditures to DHED, which shall be satisfactory to DHED in its sole discretion.

Delivery by Lake Park to DHED of any request for disbursement of City Funds from the amount held under the Escrow Agreement shall, in addition to the items therein expressly set forth, constitute a certification by Lake Park that (a) the representations and warranties contained in this Agreement with respect to Lake Park are true and correct; (b) Lake Park has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens and/or liens bonded by the Developer or insured by the Title Company; and (c) no Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred.

Delivery by Harper Court to DHED of any request for disbursement of City Funds from the amount held under the Escrow Agreement shall, in addition to the items therein expressly set forth, constitute a certification by Harper Court to the City, as of the date of such request for disbursement, that:

(a) the actual amount paid to the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees is equal to or greater than the total amount of the disbursement request;

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

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

(d) the representations and warranties contained in this Agreement are true and correct and Harper Court is in compliance with all covenants contained herein;

(e) the Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens and/or liens bonded by the Developer or insured by the Title Company;

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

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(g) the Project is In Balance. The Project shall be deemed to be in balance ("In Balance") only if the total of the Available Project Funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. The Developer hereby agrees that, if the Project is not In Balance, the Developer shall, within 10 days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

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

4.08 Conditional Grant. Payments on the City Notes and disbursement of the TIF Escrow Payment being provided hereunder are being provided on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being terminated or reimbursed as provided in Section 15.02 hereof.

4.09 Cost of Issuance. Harper Court shall be responsible for paying all costs relating to the issuance of the City Note, including costs relating to the opinion described in Section 5.09(b) hereof.

SECTION 5. CONDITIONS PRECEDENT

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

5.01 Project Budget. Harper Court has submitted to DHED, and DHED has approved, a Project Budget in accordance with the provisions of Section 3.03 hereof.

5.02 Scope Drawings and Plans and Specifications. Harper Court has submitted to DHED, and DHED has approved, the Scope Drawings and Plans and Specifications in accordance with the provisions of Section 3.02 hereof.

5.03 Other Governmental Approvals. Harper Court has secured all other approvals and permits required by any state, federal, or local statute, ordinance or regulation deemed necessary prior to the Closing Date by DHED and has submitted evidence thereof to DHED.

5.04 Financing. Harper Court has furnished proof reasonably acceptable to the City that Harper Court has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, Harper Court has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by Harper Court as needed and are sufficient (along with the Equity set forth in Section 4.01) to complete the Project. Any liens, against the Property in existence at the Closing Date, except Permitted Liens, have been subordinated to

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certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, substantially in the form attached hereto as Exhibit N hereto with such other changes as acceptable to the City and the other parties thereto, executed on or prior to the Closing Date, which is to be recorded, at the expense of Harper Court, with the Office of the Recorder of Deeds of Cook County.

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

5.06 Evidence of Clean Title. The Developer, at Harper Court's own expense, has provided the City with ^searches under the Developer and Harper Court Partners, LLC, CJUF III Harper Court IM LLC, CJUF [and any additional Developer entities as necessary] (collectively, the "Related Parties"), as follows:
showing no liens against the Harper Court, Lake Park (to the extent such liens affect the Property or the Project), the Related Parties, the Property, or any fixtures now or hereafter affixed thereto, except for the Permitted Liens and/or liens bonded by the Developer or insured by the Title Company.

5.07 Surveys. Harper Court has furnished the City with three (3) copies of the Survey.

5.08 Insurance. Harper Court, at its own expense, has insured the Property in accordance with Section 12 hereof, and has delivered certificates required pursuant to Section 12 hereof evidencing the required coverages to DHED.

5.09 Opinion of the Developer's Counsel.

(a) On the Closing Date, Harper Court and Lake Park have furnished the City with an opinion of counsel, substantially in

the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel. If special counsel has been engaged in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions shall be obtained by its general corporate counsel.

Secretary of State Secretary of State

UCC search Federal tax search UCC search Fixtures search Federal tax search State tax search

Memoranda of judgments search

Pending suits and judgments (including bankruptcy)

Pending suits and judgments

Cook County Recorder Cook County Recorder Cook County Recorder Cook County Recorder Cook County Recorder

U.S. District Court

Clerk of Circuit Court, Cook County

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(b) On the Closing Date, the City has received from Schiff Hardin LLP, special counsel, an opinion regarding the tax-exempt status and enforceability of City Note A, in form and substance acceptable to Corporation Counsel.

5.10. Evidence of Prior Expenditures. The Developer has provided evidence satisfactory to DHED in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.05(a) hereof.

5.11 Financial Statements. Harper Court has provided Financial Statements to DHED for its most recent fiscal year, and audited or unaudited interim financial statements.

5.12 Documentation. Harper Court has provided documentation to DHED, satisfactory in form and substance to DHED, with respect to its current employment matters, a copy of the executed Ground Lease, and a copy of the executed Office Lease.

5.13 Environmental. Harper Court has provided DHED with copies of the Phase I Report (as defined in Section 11.01 hereof) and any phase II or other environmental audits, reports, assessments or test results with respect to the Property. Harper Court has provided the City with a letter from the environmental firms who completed such reports, authorizing the City to rely on such reports.

5.14 Corporate Documents; Economic Disclosure Statement. Harper Court and Lake Park have each provided a copy of its Articles of Organization or Certificate of Incorporation, as applicable, containing the original certification of the Secretary of State of its state of incorporation; certificates of good standing from the Secretary of State of its state of incorporation and all other states in which each is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws of each; and such other corporate documentation as the City has requested. Harper Court and Lake Park each has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. Harper Court and Lake Park have each provided to Corporation Counsel and DHED, a description of all pending or threatened litigation or administrative proceedings involving such entity, 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. Harper Court and Lake Park are responsible and liable for information submitted pursuant to this Section 5.15 only with respect to itself.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Conditions for General Contractor and Subcontractors. The City has approved Harper Court's selection of __, a [State][Type of Entity], as the General Contractor.

The Developer shall submit copies of the Construction Contract to DHED in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DHED within five (5) business days of the execution thereof. Harper Court shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Conditions Precedent to Construction identified in Section 3.06 hereof have been satisfied.

6.02 Construction Contract. Prior to the execution thereof, Harper Court shall deliver to DHED a copy of the proposed Construction Contract with the General Contractor selected to handle

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the Project in accordance with Section 6.01 above, for DHED's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. Within ten (10) business days after execution of

such contract by Harper Court, the General Contractor and any other parties thereto, Harper Court shall deliver to DHED and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

6.03 Performance and Payment Bonds. Prior to commencement of construction of any portion of the Project, Harper Court shall require that the General Contractor be bonded for its performance and payment by sureties having an AA rating or better using American Institute of Architect's Form No. A311 or its equivalent. Prior to the commencement of any portion of the Project which includes work on the public way, Harper Court shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as Exhibit K hereto. The City shall be named as obligee or co-obligee on any such bonds. ']

6.04 Employment Opportunity. Harper Court shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof.

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 10.03 (MBEAA/BE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DHED within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION 7.01 Certificate of Completion of Construction or Rehabilitation.

(a) Upon (i) satisfaction of the conditions set forth in Section 7.01(c) hereof, and (ii) Harper Court's written request (which shall include a final Project Budget detailing the total actual cost of the construction of the Project), DHED shall issue to Harper Court a Certificate of Completion in recordable form certifying that all obligations to complete the Project have been fulfilled by the Developer in accordance with the terms of this Agreement.

(b) DHED shall respond to Harper Court's written request for a Certificate of Completion within forty-five (45) days by issuing either a Certificate of Completion or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by Harper Court in order to obtain the Certificate of Completion. Harper Court may resubmit a written request for a Certificate of Completion upon completion of such measures.

(c) Developer acknowledges that the City will not issue a Certificate of Completion until all of the following conditions have been met:

(i) Harper Court has given the City written notification that construction of the Project, including all of the TIF-Funded Improvements, has been completed;

(ii) Harper Court has provided DHED with evidence acceptable to DHED showing

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that Harper Court has completed the Project in compliance with the Plans and Specifications, the PD and all building permit requirements, including without limitation, receipt of all required certificate(s) of occupancy for the Project;

(iii) Harper Court has provided DHED with documentation acceptable to DHED that the COC Occupancy Covenant has been met in accordance with Section 8.06(a) hereof;

(iv) the City's monitoring unit has determined in writing that Harper Court is in complete compliance with all requirements of Section 8.08 (Prevailing Wage) and Section 10 (Harper Court's Employment Obligations); and

(v) Harper Court has provided documentation acceptable to DHED showing \ expenditures to comply with Section 8.20 (LEED Certification). If there is a lack of approval of Harper Court's LEED submission, and such lack of approval (A) is the sole requirement not met for issuance of the Certificate of Completion by DHED pursuant to this Agreement, and (B) has not resulted in any reduction of funds in order to complete the Project in accordance with the scope of work approved by the City in accordance with Sections 3.02 and 3.04 hereof, then DHED, may, but shall not be obligated to, in the DHED Commissioner's sole discretion, issue the Certificate of Completion; u

. (vi) Harper Court has subdivided the Project Site into a minimum of three (3) Air Rights Parcels for construction of the Hotel, the Residential Tower and Multi-Family Building I, and Harper Courthas delivered a

copy of the recorded plat of subdivision creating such parcels to the City; and
(vii) a standard AIA certificate of substantial completion of the Vertical Improvements Infrastructure which are related solely to the Hotel by the architect for the Project.

7.02 Effect of Issuance of Certificate of Completion; Continuing Obligations. The Certificate of Completion relates only to the completion of the Project as set forth in Section 7.01 hereof, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate of Completion, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate of Completion shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 3.13(g), 8.01 (j), 8.01 (k), 8.02, 8.06, 8.19 and 8.24 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate of Completion; provided, that upon the issuance of a Certificate of Completion, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate of Completion shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

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7.03 Failure to Complete. If the Conditions Precedent to Construction have not been satisfied on or before the Conditions Precedent to Construction Date (subject to Section 18.01 hereof), then this Agreement shall terminate on the Conditions Precedent to Construction Date. From and after the Construction Commencement Date, if the Project is not completed on or before the Construction Completion Date and in accordance with the terms of this Agreement, then the City has, but shall not be limited to, the rights and remedies set forth in Section 15.02 of this Agreement.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DHED shall provide Harper Court, at Harper Court's written request, with a written notice in recordable form stating that the Term of the Agreement has expired and that the Developer is released from its obligations under this Agreement.

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

8.01 General. Each of Harper Court and Lake Park, as of the Closing Date and as of the date of each disbursement of City Funds hereunder, each represents, warrants and covenants, as applicable, that:

(a) Harper Court is an Illinois limited liability company duly organized, validly existing, qualified to do business in Illinois, and Lake Park is an Illinois corporation, duly organized, validly existing, qualified to do business in Illinois, and each such entity is licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

(b) each of Harper Court and Lake Park have the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by Harper Court and Lake Park of their respective obligations under this Agreement has been duly authorized by all necessary action, and does not and will not violate (as applicable) its Articles of Incorporation or of Organization, by-laws or operating agreement as amended and supplemented, any applicable Law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which such entity is now a party or by which such entity is now or may become bound;

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, Lake Park shall maintain good, indefeasible and merchantable fee simple title to the Property, and Harper Court shall acquire and until the issuance of the Certificate of Completion for the Project (and thereafter so long as Harper Court maintains ownership of the Project) maintain an insurable leasehold interest in the Property created by the Ground Lease, free and clear of all liens (except for the Permitted Liens and/or liens bonded by the Developer or insured by the Title Company, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof), and, as

evidence of compliance with such covenant; shall, upon request, provide DHED with copies of all date-down title endorsements at the time such endorsements are issued pursuant to the Escrow Agreement;

(e) Harper Court is now and for the Term of the Agreement shall remain solvent and able to pay its debts as they mature;

(f) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting

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Harper Court or Lake Park which would impair their respective ability to perform under this Agreement;

(g) Harper Court has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project;

(h) Harper Court is not in default (after the expiration of any applicable notice and cure . period) with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which Harper Court is a party or by which Harper Court or the Property is bound; r

(i) the Financial Statements are, and when hereafter required to be submitted will be, complete, correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of Harper Court, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of Harper Court since the date of Harper Court's most recent Financial Statements;

(j) except as permitted by Section 18.15 hereof, prior to the Five Year Anniversary, any of the following shall not be done or be permitted without the prior written consent of DHED: (i) (A) Harper Court be a party to any merger, liquidation or consolidation, (B) Lake Park be a party to any liquidation, or (C) Lake Park be a party to any merger or consolidation which would have an adverse impact on completion of the Harper Court Development; (ii) the Developer sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property, or assign any interest in the Ground Lease (including but not limited to any fixtures or equipment now or hereafter attached thereto); provided, however, the City hereby specifically consents to the Option to Purchase, the Hotel Transaction, and to leasing of the Retail Space in the ordinary course of business in a manner not inconsistent with this Agreement; (iii) (A) Harper Court enter into any transaction outside the ordinary course of Harper Court's business which shall have a material impact on completion of the Project or of Harper Court's business; or (B) Lake Park enter into any transaction which shall have a material adverse impact on Lake Park's ability to perform its obligations hereunder (iv) (A) Harper Court assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity which is unrelated to the Project; or (B) Lake Park assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity which is unrelated to the Project and which shall have a material adverse impact on Lake Park's ability to perform its obligations hereunder or (v) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition which change in financial condition would have a material adverse impact on Developer's ability to perform its obligations hereunder. Notwithstanding the foregoing, the withdrawal, replacement and/or addition of any of CJUF's limited partners, from time to time, shall be allowed by the City without the need to obtain the City's consent and the fact that the Harper Court Development (other than the Project) has not commenced, or has not been completed, shall not be a basis for the City to deny consent to any proposed transfer of all or any component of the Harper Court Development under this Section 8.01 (i) or an assignment under Section 18.15 hereof.;

(k) the Developer has not incurred, and, prior to the issuance of the Certificate of Completion pursuant to Section 7.01, shall not, without the prior written consent of the Commissioner of DHED, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens and/or liens bonded by the Developer or insured by the Title ■ Company; or incur any indebtedness, secured or to be secured by the Property (or improvements

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thereon) or any fixtures now or hereafter attached thereto (excluding Tenant trade fixtures), except Lender Financing disclosed in the Project Budget;

(l) neither Harper Court nor Lake Park has made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to

enter into the Agreement or any City Contract with such entity in violation of Chapter 2-156-120 of the Municipal Code of the City;

(m) none of Harper Court, Lake Park or any affiliate of either Harper Court or Lake Park is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "affiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise; and

(n) Harper Court agrees with respect to Harper Court, and Lake Park agrees with respect to Lake Park (and not for each other), that any person or entity who directly or indirectly has an ownership or beneficial interest in their respective entities of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Harper Court's or Lake Park's contractors (i.e., any person or entity in direct contractual privity with such entity 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 (Harper Court and Lake Park 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 (i) after execution of this Agreement by Developer, (ii) while this Agreement or any Other Contract (as defined below) is executory, (iii) during the Term of the Agreement or any Other Contract between Harper Court or Lake Park and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Harper Court represents and warrants that from the later of (i) February 10, 2005, or (ii) the date the City approached Harper Court or the date Harper Court 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.

Lake Park represents and warrants that from the later of (i) February 10, 2005, or (ii) the date the City approached Lake Park or the date Lake Park 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.

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Each of Harper Court and Lake Park, with respect to their own employees, 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.

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 05-1.

Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 05-1 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 pursuant to Section 15 hereof, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 05-1 prior to the closing of this

Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

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

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

Individuals are "Domestic Partners" if they satisfy the following criteria: ^k

(A) they are each other's sole domestic partner, responsible for each other's common welfare; and

(B) neither party is married; and

(C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and

(D) 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

(E) 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. a joint credit account;

c. a joint checking account;

d. a lease for a residence identifying both domestic partners as tenants.

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

"Other Contract" means any other agreement with the City of Chicago to which 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 of the City of Chicago.

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

8.02 Covenant to Redevelop. On and after the Conditions Precedent to Construction Date, Harper Court shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Harper Court Ordinance, the TIF Bond Ordinance, if any, the Scope Drawings, the Plans and Specifications, the PD, the Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or Harper Court. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate of Completion with respect thereto.

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

8.04 Use of City Funds. City Funds disbursed to the Developer shall be used by Harper Court solely to pay for (or to reimburse the Developer for its payment for) the TIF-Funded Improvements as provided in this Agreement.

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

8.06 Occupancy and Use. Harper Court shall cause the Retail Space and the Office Space to be used in accordance with this Section 8.06 and the Redevelopment Plan. The covenants contained in this Section 8.06 shall run with the land and be binding upon any transferee for the Term of the Agreement.

(a) Harper Court shall cause on or before the date of issuance of the Certificate of Completion pursuant to Section 7.01 hereof (i) the lease of 100% of the Office Space, and (ii) the lease and occupancy of not less than seventy-five percent (75%) of the Retail Space (the "COC Occupancy Covenant").

(b) For each Reporting Period until the Ten Year Anniversary, the Developer shall provide, to the satisfaction of the City, documentation demonstrating to the satisfaction of DHED (i) it has maintained, on average over the course of the preceding one (1) year, occupancy of at least

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sixty-five percent (65%) of the Retail Space and (ii) the Retail Space is used in conformance with the Ground Lease and Section 8.06(c) hereof. Additionally, for each Reporting Period beginning on the Third Year Anniversary until the Ten Year Anniversary, the Developer shall provide to the satisfaction of the City, documentation demonstrating to the satisfaction of DHED it has maintained, on average over the course of the preceding one (1) year, occupancy of at least fifty percent (50%) of the net leasable Office Space (with any remodeling by the University of Chicago in the ordinary course of business being considered occupied).

(c) Uses that shall not be permitted without prior written approval of DHED are as follows:

(i) Funeral homes.

(ii) Production, manufacturing and/or industrial use (as such terms are generally used and understood in commerce) of any kind or nature.

(iii) "Head Shops," pornographic "adult" bookstores, tattoo parlors, massage parlors.

(iv) Car washes, gasoline or service stations, or the display, repair, lease, rent or sale of any motor vehicle, boat or trailer.

(v) Convenience stores, storage/warehouse uses, currency exchange, liquor store, video stores, dollar stores, pawn shop or packaged goods stores.

(vi) Any use which creates a nuisance or materially increases noise or emissions of dust, odor, smoke or gases.

(vii) Any use which materially increases the risk of fire, explosion or radioactive hazard.

(viii) Any use involving Hazardous Materials in violation of any Environmental Laws.

(ix) Thrift stores or flea markets, excluding: (1) auction rooms, (2) art or antique stores, or (3) establishments selling books on a consignment basis.

8.07 Employment Opportunity; Progress Reports. Harper Court covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. From and after the Construction Commencement Date until the issuance of the Certificate of Completion, Harper Court shall deliver to the City monthly written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. If any such reports indicate a shortfall in compliance, Harper Court shall also deliver a plan to DHED which shall outline, to DHED's satisfaction, the manner in which Harper Court shall correct any shortfall.

8.08 Employment Profile. From and after the Construction Commencement Date until the issuance of the Certificate of Completion, Harper Court shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to DHED, from time to time, statements of its employment profile upon DHED's request.

8.09 Prevailing Wage. From and after the Construction Commencement Date until the issuance of the Certificate of Completion, unless required to pay federal "Davis-Bacon" wages pursuant to the terms of any Lender Financing, Harper Court covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, Harper Court shall provide the City with copies of all such

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contracts entered into by Harper Court or the General Contractor to evidence compliance with this Section 8.09.

8.10 Arms-Length Transactions. Unless DHED has given its prior written consent with respect thereto, no Affiliate of the Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. The Developer

shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using City Funds, or otherwise), upon DHED's request, prior to any such disbursement.

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

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

8.13 Financial Statements. Harper Court shall obtain and provide to DHED Financial Statements for Harper Court's fiscal year ended 2009 and each December 31 thereafter for the Term of the Agreement. In addition, Harper Court shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DHED may request.

8.14 Insurance. Harper Court, at its own expense, shall comply with all provisions of Section 12 hereof.

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

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

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental

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Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay-any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or

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

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

8.17 Compliance with Laws.

(a) Representation. To the best of the Harper Court's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all Laws pertaining to Or affecting the Project and the Property. Upon the City's request, Harper Court shall provide evidence satisfactory to the City of such compliance.

(b) Covenant. Harper Court covenants that the Property and the Project will be operated and managed in

compliance with all Laws. Upon the City's request, Harper Court shall provide evidence to the City of its compliance with this covenant.

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement shall be recorded prior to any mortgage made in connection with Lender Financing. Harper Court shall pay all fees and charges incurred in connection with any such recording. Upon recording, Harper Court shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) Governmental Charges.

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

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County, and municipalities other than the City) relating to the Developer, the Property or the Project including but not limited to real estate taxes.

(ii) Right to Contest. The Developer has the right before any delinquency occurs to contest (including, without limitation, real estate tax assessment protests) or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DHED of the Developer's intent to contest or object to a Governmental Charge and, unless, at DHED's sole option,

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

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

(v) Any discretion conferred upon DHED by this Section 8.19(a)(ii), (iii) and (iv) will be exercised reasonably.

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

8.20 LEED Certification. Harper Court covenants and agrees to obtain LEED certification for the Project and satisfy all green building requirements in accordance with the PD.

8.21 Job Creation. Harper Court shall use commercially reasonable efforts (but shall be under no obligation) to

create (a) approximately 400 construction jobs between the Closing Date and the completion of construction as set forth in Section 3.01; (b) approximately 300 full-time equivalent jobs with respect to the Retail Space; and (c) approximately 500 full-time equivalent jobs with respect to the Office Space.

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8.22 Job Readiness Program. Harper Court shall undertake, and shall facilitate each Office Space and Retail Space tenant occupying in excess of 6,000 square feet to undertake, a job readiness program, to work with the City, through the Mayor's Office of Workforce Development ("MOWD"), to participate in job training programs to provide job applicants for the jobs created by the Project and the operation of the Property. In addition, Harper Court shall send a letter (with a copy to DPD) to any tenants to familiarize them with the programs established by the City and available through MOWD for the purpose of helping prepare individuals to work for businesses located within the Redevelopment Area.

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

8.24 Annual Compliance Report. Harper Court shall provide to DHED an Annual Compliance Report consisting of (a) a letter from Harper Court itemizing all ongoing requirements including references to all the relevant Sections of this Agreement, and (b) sufficient documentation and certifications, to the satisfaction of DHED, to evidence that all ongoing requirements have been satisfied during the preceding reporting period (which DHED shall have the right, but not the obligation, to audit compliance with to determine the sufficiency of such Annual Compliance Report). The Annual Compliance Report shall be submitted each year on the yearly anniversary of the issuance of the Certificate of Completion (each such year being a "Reporting Period"). Failure by Harper Court to submit the Annual Compliance Report shall constitute an Event of Default under Section 15.01 hereof, without notice or opportunity to cure pursuant to Section 15.03 hereof. The covenants contained in this Section 8.24 shall run with the land and be binding upon any transferee for the Term of the Agreement.

[8.25 Substitute TIF Letter of Credit. The during the period that Harper Court is required to maintain the TIF Letter of Credit, Harper Court shall, within twenty (20) calendar days of the expiration of the current TIF Letter of Credit deliver a substitute Letter of Credit in form and substance satisfactory to the City in its sole and absolute discretion.] [REVISE TO REFLECT STRUCTURING OF LOC WITH A TERM AND RENEWABLE OR FOR ONE YEAR WITH AUTOMATIC RENEWALS, ETC.]

SECTION 9. COVENANTS/REPRESENTATIONS AND WARRANTIES OF CITY

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

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

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SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

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

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance; Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take

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

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

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

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

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

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

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

Harper Court may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

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

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

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

Harper Court, the General Contractor and each subcontractor shall provide full access to their employment

records to the Chief Procurement Officer, the Commissioner of DHED, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. Harper Court, the General Contractor and each subcontractor shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project. .) '•

At the direction of DHED, affidavits and other supporting documentation will be required of Harper Court, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

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

When work at the Project is completed, in the event that the City has determined that Harper Court has failed to ensure the fulfillment of the requirement of this Section concerning the worker

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hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by Harper Court 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 Harper Court, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to Harper Court pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether Harper Court must surrender damages as provided in this paragraph.

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

Harper Court shall cause or require the provisions of this Section 10.02 to be included in all construction contracts and subcontracts related to the Project.

10.03. MBEAA/BE Commitment. Harper Court 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 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 "MBEAA/BE Program"), and in reliance upon the provisions of the MBEAA/BE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBEAA/BE Budget (as set forth in Exhibit H-2 hereto) shall be expended for contract participation by MBEs and by WBEs:

(1) At least 24 percent by MBEs.

(2) At least four percent by WBEs.

(b) For purposes of this Section 10.03 only, Harper Court (and any party to whom a contract is let by Harper Court in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by Harper Court 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.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, Harper Court's MBEAA/BE commitment may be achieved in part by Harper Court's status as an MBE or WBE (but only to the extent of

any actual work performed on the Project by Harper Court) 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

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WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by Harper Court 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 Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to Harper Court's MBEAA/BE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code of Chicago, Harper Court shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DHED.

(d) Harper Court shall deliver quarterly reports to the City's monitoring staff during the Project describing its efforts to achieve compliance with this MBEAA/BE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by Harper Court 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 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 Harper Court's compliance with this MBEAA/BE commitment. Harper Court shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by Harper Court, on five Business Days' notice, to allow the City to review Harper Court's compliance with its commitment to MBEAA/BE participation and the status of any MBE or WBE performing any portion of the Project.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, Harper Court 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 Harper Court's MBEAA/BE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of construction of the Project, Harper Court shall be required to meet with the City's monitoring staff with regard to Harper Court's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, Harper Court shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, Harper Court shall submit the documentation required by this¹ Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBEAA/BE contractor associations have been informed of the Project via written notice and hearings; and (viii) 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 Harper Court is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to Harper Court, be deemed an Event of Default. Upon the

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occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to Harper Court to halt the Project, (2) withhold any further payment of any City Funds to Harper Court or the General Contractor, or (3) seek any other remedies against Harper Court available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

11.01 Phase I and II Assessments. Harper Court hereby represents and warrants to the City that Harper Court has performed a Phase I environmental site assessment of the Property in accordance with the requirements

of the ASTM E1527-05 standard ("Phase I Report") and Phase II testing sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, the Harper Court Ordinance, all ordinances authorizing the issuance of the TIF Bonds, if any, and the Redevelopment Plan. Harper Court agrees to deliver to the City a copy of each report prepared by Or for Harper Court regarding the environmental condition of the Property.

11.02 Environmental Remediation. Notwithstanding the foregoing or any other provision to the contrary contained in this Agreement, if during the development of the Project Harper Court discovers any underground storage tanks or otherwise becomes aware of the presence of contaminants on the Property, Harper Court covenants and agrees to complete all investigation, removal, response, disposal, treatment and other activities necessary to remediate the Property based upon commercial remediation objectives in accordance with the Illinois Environmental Protection Act and its implementing regulations and all applicable Laws, including, without limitation, all applicable Environmental Laws ("Environmental Remediation"). If Harper Court intends to request reimbursement from City Funds for any costs associated with the Environmental Remediation, the City shall have the right to review in advance and approve all environmental reports relating to, and estimates of the cost of performing, the Environmental Remediation. Any such approval with respect to the Lake Park Land shall also require the consent of Lake Park. Harper Court shall cooperate and consult with the City at all relevant times (and in all cases upon the request of the City) with respect to environmental matters, including, without limitation, any plans or proposals Harper Court may have that would materially increase the costs of the Environmental Remediation. Except as otherwise provided in the Ground Lease, Harper Court shall bear sole responsibility for all aspects of the Environmental Remediation and any other investigative and cleanup costs associated with the Property and any improvements, facilities or operations located or formerly located thereon, including, without limitation, the removal and disposal of all Hazardous Materials, debris and other materials excavated during the performance of the Environmental Remediation. Harper Court shall promptly transmit to the City copies of all documents and other written communications delivered to or received from the Illinois Environmental Protection Agency or other regulatory agencies with respect to the Environmental Remediation.

SECTION 12. INSURANCE

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

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

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

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

(iii) All Risk Property

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

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

(i) Workers Compensation and Employers Liability

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

accident, illness or disease.

(ii) Commercial General Liability (Primary and Umbrella)

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

(iii) Automobile Liability (Primary and Umbrella)

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

(iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Harper Court must provide cause to be provided with respect to the operations that Contractors perform,

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Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk /Builders Risk „

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

(vi) Professional Liability

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

(vii) Valuable Papers

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever, and must have limits sufficient to pay for the re-creation and reconstruction of such records.

(viii) Contractors Pollution Liability '

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

(c) Post Construction:

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

(d) Other Requirements:

The Harper Court must furnish the City of Chicago, Department of Housing and Economic

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Development, City Hall, Room 1000,121 North LaSalle Street 60602, original Certificates of Insurance, or such

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

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

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

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

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

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

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

If Harper Court is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.¹

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

If Harper Court, any Contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

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

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SECTION 13. INDEMNIFICATION

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

- (i) Harper Court's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or
- (ii) Harper Court's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or
- (iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Harper Court or any Affiliate Harper Court or any agents, employees, contractors or persons acting under the control or at the request of Harper Court or any Affiliate of Harper Court; or

(iv) Harper Court's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto;

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

(b) Lake Park agrees to indemnify, pay, defend and hold the City, and its Indemnitees harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (and including without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnitees shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating or arising out of:

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

(ii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by

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

(iii) Lake Park's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto; provided, however, that Lake Park shall have no obligation to any Indemnitee arising from the wanton or willful misconduct of such Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Lake Park shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

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

SECTION 15. DEFAULT AND REMEDIES

15.01 Events of Default. The occurrence of any one or more of the following events with respect to Harper Court or Lake Park, as applicable, subject to the provisions of Sections 15.03 and 15.04 hereof, shall constitute an "Event of Default" hereunder:

(a) the failure of Harper Court or Lake Park, to the extent of such obligation, to perform, keep or observe any of their respective covenants, conditions, promises, agreements or obligations set forth in this Agreement, including but not limited to, those enumerated in Sections 3.01 and 8.01 through and including 8.25 hereof (only as such Sections are applicable to Harper Court and/or Lake Park), or any related agreement; provided, however, the City's sole remedy for noncompliance with Section 8.06(b) shall be as follows: interest shall immediately cease to accrue on City Note B effective as of the date on which this Event of Default is deemed

to have occurred; and no payments shall be made with respect to City Note B during such Event of Default. Any Maximum Incremental Taxes that would have been used to make payments on City Note B during this Event of Default shall, however, be reserved by the City pending compliance with Section 8.06(b) being met subsequent reporting periods;

(b) (1) the failure of Harper Court to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Harper Court under any other agreement with

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any person or entity if such failure may have a material adverse effect on the Harper Court's business, property, assets, operations or condition, financial or otherwise; or (2) the failure of Lake Park to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Lake Park under any other agreement with any person or entity if such failure would (A) have a material adverse effect on Harper Court's business, property, assets, operations or condition, financial or otherwise, and (B) materially and adversely impair the ability of Lake Park to perform its obligations under this Agreement;

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

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens and/or liens bonded by the Developer or insured by the Title Company to the satisfaction of the DHED, 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 Harper Court or Lake Park or for the liquidation or reorganization of its assets, or alleging that it is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of such 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 nonstatutory proceedings involving Harper Court or Lake Park, as the case may be; 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 Harper Court or Lake Park, for any substantial part of its assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of Harper Court or Lake Park; 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 Harper Court or Lake Park which 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 or the Ground Lease," which default is not cured within any applicable cure period;

(i) the dissolution of Harper Court or Lake Park;

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

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(k) prior to the Five Year Anniversary, the sale, transfer, conveyance, lease or other disposition without the prior written consent of DHED (except for the Office Lease, Option to Purchase, the Hotel Transaction and lease of the Retail Space in the ordinary course of business which is in accordance with this Agreement) (1) by Harper Court or Lake Park of any portion of the Property or the assignment of any interest in the Ground Lease (including but not limited to any fixtures or equipment now or hereafter attached thereto), or (2) by Harper Court of all or substantially all of Harper Court's assets;

(l) from and after the Five Year Anniversary, without prior notice to DHED, the sale, transfer, or conveyance (Y) by Harper Court or Lake Park of any portion of the Property or the assignment of any interest in the Ground Lease (including but not limited to any fixtures or equipment now or hereafter attached thereto), or (Z) by Harper Court of all or substantially all of Harper Court's assets; , or

(m) failure on or before the Construction Completion Date to obtain a standard AIA certificate of substantial completion of the Vertical Improvements Infrastructure which are related solely to the Hotel by the architect for the Project.

For purposes of this Section 15.01(i) hereof, a person with a material interest in the Developer shall be one ownirjg in excess of seven and one half percent (7.5%) of the Developer's membership interests.

15.02 Remedies. If there exists any Event of Default pursuant to Section 15.01 hereof:

(a) interest shall immediately cease to accrue on City Note B effective as of the date on which the Event of Default is deemed to have occurred pursuant to Section 15.03; and no payments shall be made with respect to City Note B during any cure period applicable to such default. Any Maximum Incremental Taxes that would have been used to make, payments on City Note B during such time period shall, however, be reserved by the City pending the possible cure of such default. If such default is cured, interest shall again begin to accrue on City Note B effective as of the actual date on which the default is cured and any reserved payments of Available Incremental Taxes (City Note B) shall be released by the City and used to make payments with respect to City Note B. Additionally, if an Event of Default is not cured or is not subject to a cure period pursuant to Sections 15.03 and 15.04 hereof, the City shall have no further obligations to make any payments with respect to the City Notes and the City shall have the remedies set forth in Section 15.02(b) hereof.

(b) Subject to any applicable cure periods, and subject to the provisions of Section 15.04 hereof, the City may pursue any or all of the following remedies:

- i. terminate this Agreement and any agreement with respect to the Property or the Project to which the City and the Developer are or shall be parties;
- ii. cease approval of all disbursement of City Funds not yet disbursed pursuant to the terms of this Agreement and the Escrow Agreement and/or suspend disbursement of City Funds;
- iii. place a lien on the Project in the amount of City Funds paid;
- iv. seek reimbursement of any City Funds held in Escrow and not yet paid to the Developer provided that the City is entitled to rely on an opinion of counsel that such

50 reimbursement will not jeopardize the tax-exempt status of City Note A and the TIF Bonds, if any;

- v. draw the entire balance of the TIF Letter of Credit;
- vi. draw the entire balance of the CDOT Letter of Credit;
- vii. prepay City Note A;
- viii. complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.01 [and the proceeds of the TIF Letter of Credit], Harper Court shall , reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds;
- ix. if the Event of Default occurs before the City has issued (or is required to issue) a Certificate of Completion (and if such Event of Default is by Harper Court, then subject to the rights of CJUF, Lender and Lake Park under Section Section 15.04), re-enter and take possession of the City Land, terminate the estate conveyed to Lake Park, and re-vest title to such land in the City; provided, however, the City may only exercise the foregoing right of reverter if none of CJUF, Lender or Lake Park cures the Event of Default within the timeframes set forth in Section 15.04 hereof; and further provided that the City's right of reverter shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement; and
- x. in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to damages, injunctive relief or the specific performance of the agreements contained in this Agreement.

15.03 Curative Period. In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred

unless the Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured; provided, further, that there shall be no cure period under this Section 15.03 with respect to (a) noncompliance with Section 8.24 hereof, or (b) the failure to maintain the TIF Letter of Credit [or comply with Section 8.25 regarding substitution of the TIF Letter of Credit hereof].

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[15.04 Right to Cure by CJUF, Lender and/or Lake Park. [TO BE REVISED PER DEVELOPER/CITY/LENDER REVIEW] In the event that an Event of Default occurs under this Agreement and after the expiration of all applicable cure periods set forth in Section 15.03 hereof, and if, as a result thereof, the City intends to exercise any right or remedy available to it that could result in termination of this Agreement and all related agreements, or the suspension, cancellation, reduction or reimbursement of City Funds disbursed hereunder or under the Escrow Agreement, or the reversion of the City Land to the City, or any other remedy under this Agreement (other than pursuant to Section 15.02(a) hereof), the City shall prior to exercising such right or remedy, send notice of such intended exercise to CJUF, the Lender and Lake Park and CJUF, the Lender and Lake Park shall have the right (but not the obligation) to cure such Event of Default as follows:

(a) if the Event of Default is a monetary default, CJUF may cure or cause to be cured such monetary default within [180] days after the later of (and Lake Park, the Lender and the City shall take no action during such [180] days): (i) the expiration of the cure period, if any, granted to Harper Court with respect to such monetary default; or (ii) receipt by CJUF, Lake Park and Lender of such notice from the City. If CJUF does not cure or cause to be cured such monetary default within such [180] day time period set forth in the preceding sentence, the Lake Park may cure such monetary default within the next [30] days; and

(b) if any Event of Default is of a non-monetary nature, CJUF may [cure or] cause to be cured such non-monetary default within [180] days after the later of (and Lake Park, Lender and the City shall take no action during such [180] days): (i) the expiration of the cure period, if any, granted to Harper Court with respect to such non-monetary default; or (ii) receipt by CJUF, Lake Park and Lender of such notice from the City. If CJUF does not [cure or] cause to be cured such nonmonetary default within such [180] day time period set forth in the preceding sentence, the Lake Park may cure such monetary default within the next [30] days; and

(c) if the Event of Default is a monetary default, Lake Park may cure such monetary default within [30] days after the later of (and Lender and the City shall take no action during such [30] days): (i) the expiration of the cure period, if any, granted to CJUF pursuant to subsection (a) above with respect to such monetary default; or (ii) receipt by Lake Park and Lender of such notice from the City. If Lake Park does not cure such monetary default within such [30] day time period set forth in the preceding sentence, the Lender may cure such monetary default within the next [30] days; and

(d) if any Event of Default is of a non-monetary nature, Lake Park may cure such nonmonetary default within [30] days after the later of (and Lender and the City shall take no action during such [30] days): (i) the expiration of the cure period, if any, granted to CJUF pursuant to subsection (b) above with respect to such non-monetary default; or (ii) receipt by Lake Park and Lender of such notice from the City. If Lake Park does not cure such non-monetary default within such [30] day time period set forth in the preceding sentence, the Lender may cure such monetary default within the next [30] days; and

(e) (1) Notwithstanding the provisions of Section 15.04[(b)/(d)] hereof, if such nonmonetary default is an Event of Default set forth in Section 15.01(e), (t), (g), (h), (i) or (j) hereof or Event of Default by Harper Court of a nature so as not reasonably being capable of being cured within such [30] day period (each such default being a "Personal Harper Court Default"), CJUF/the Lender/Lake Park (as applicable), shall provide written notice to the City and CJUF/Lake Park/Lender (as applicable) within [30] days of receipt of notice of such Personal Harper Court Default. With the prior written consent of the City and the Lender and Lake Park shall, Within [30] days *from receipt of such notice in the preceding sentence, cure such Personal Harper Court

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Default by the assignment pursuant to Section 18.15 hereof of all of the Harper Court's rights, obligations and interests in this Agreement to [CJUF]/Lake Park or such other party consented to.

(2) Upon receipt by the City, Lake Park and the Lender of notice from CJUF pursuant to subsection (e)(1)

above that CJUF agrees to [cure or] cause to be cured such Personal Harper Court Default, the cure period shall be extended for such reasonable period of time as may be necessary to complete such assignment and assumption of Harper Court's rights hereunder. If CJUF does not (i) provide such written notice, (ii) [declines to assume, or (iii)] find any other party to assume Harper Court's rights and interests in this Agreement within the [30] days set forth in (c)(1) above, then Lake Park shall have [30] days to cure such Personal Harper Court Default by the assignment, in accordance with the provisions of Section 18.15 hereof, of all Harper Court's rights and interests in this Agreement to Lake Park.

(3) If CJUF does not take action pursuant to subsection (e)(2) above, then upon receipt by the City and the Lender of notice from Lake Park pursuant to subsection (e)(1) above that CJUF is causing such Personal Harper Court Default to be cured, the cure period shall be extended for such reasonable period of time as deemed by the parties necessary to effectuate such cure. If Lake Park does not (i) provide such written notice, (ii) declines to assume, or (iii) find any other party to assume Harper Court's rights and interests in this Agreement within the [30] days set forth in (c)(1) above, then the Lender shall have [30] days to cure such Personal Harper Court Default by the assignment, in accordance with the provisions of Section 18.15 hereof, of all Harper Court's rights and interests and all of Lake Park's rights and interests in this Agreement to the Lender or any other party agreed to in writing by the Lender and the City.

(f) In the event that such Personal Harper Court Default is not cured by Lake Park or Lender within the timeframes set forth in this Section 15.04. then the City shall have available all remedies set forth in this Agreement, including those in Sections 15.02.

(g) During all such times as a Personal Harper Court Default exists, no payments on City Note B or the TIF Escrow Payment held in Escrow but not disbursed pursuant to terms of this Agreement and the Escrow Agreement shall occur until such time as such Personal Harper Court Default is cured.]

SECTION 16. MORTGAGING OF THE PROJECT

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

(a) In the event that a mortgagee or any other party shall succeed to Harper Court's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Harper Court's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to Harper Court for all purposes under this

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Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

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

and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

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

(d) If an Event of Default occurs under this Agreement, then any mortgagee under an Existing Mortgage or a Permitted Mortgage shall have the same right, but not the obligation, as the Developer has under this Agreement to cure such default, subject to the applicable cure periods described in Section 15.03 and Section 15.04. and the City shall accept such performance by such mortgagee for the account of the Developer and with the same force and effect as if performed by the Developer.

SECTION 17. NOTICE

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

If to the City: City of Chicago

Department of Housing and Economic Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner

With Copies To: City of Chicago

Department of Law

121 North LaSalle Street, Room 600

Chicago, Illinois 60602

Attention: Finance and Economic Development Division

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If to Harper Court: CJUF III Harper Court LLC

c/o Vermilion Development Two Prudential Plaza 180 North Stetson, Suite 3500 Chicago, Illinois 60601 Attention:

[With Copies To:

[With Copies To:

and

Canyon-Johnson Urban Funds III, L.P. 2000 Avenue of the Stars, 11th Floor Los Angeles, California 30067 Attention:

If to Lake Park: Lake Park Associates, Inc.

5801 Ellis Avenue Chicago, Illinois 60637 Attention:

Chicago, Illinois 606__]

Such addresses may be changed by notice to the other parties given in the same manner, provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

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

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extends the Conditions Precedent to Completion Date by more than [ninety (90)] days, extends the Construction Completion Date by more than [thirty-three (33)] months, or extends any other time agreed upon for performance by Harper Court by more than ninety (90) days.

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

18.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to the Developer 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 from the City or any successor in interest or on any obligation under the terms of this Agreement. No Trustee, faculty member, officer, director, agent or employee of Lake Park, the University of Chicago, or any Affiliate of the University of Chicago or Lake Park, or of any institution, hospital or medical center related to the University of Chicago, or any Affiliate thereof, shall be personally liable to the City or Harper Court or any successor in interest in the event of a default or breach of any covenant or obligation under this Agreement, or for any amount which is due arising in connection with this Agreement. No member, officer, director, agent or employee of Harper Court shall be personally liable to the City or Lake Park or any successor in interest in the event of a default or breach of any covenant or obligation under this Agreement, or for any amount which is due arising in connection with this Agreement.

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

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

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

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

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

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

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

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

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

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

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

18.15 Assignment.

(a) Except as provided for in Section 15.04[(e)] hereof, or as otherwise permitted in Section 8.01 (D, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without

the written consent of the City. In the event of a proposed sale, the City shall be provided copies of any and all sales contracts, legal descriptions, descriptions of intended use, certifications from the proposed buyer regarding this Agreement and such other information as the City may reasonably request. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Section 8.02 (Covenant to Redevelop), Section 8.06 (Occupancy Covenant), Section 8.19 (Real Estate Provisions) and Section 8.23 (Survival of Covenants) hereof, for the Term of the Agreement. The proposed buyer must be qualified to do business with the City (including but not limited to an Economic Disclosure Statement and anti-scofflaw requirement). Notwithstanding the foregoing, the Developer shall be permitted to encumber the Property in accordance with the terms of Section 16 hereof. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

(b) Notwithstanding the foregoing prohibition against transfers described in? Section 15(a) above, any withdrawal, replacement and/or addition of any of CJUF's limited partners, from time to time, shall be allowed by the City without the need to obtain the City's consent.

18.16 Binding Effect. This Agreement shall be binding upon the Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Developer, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and

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permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

18.17 Force Majeure. None of the City, Harper Court or Lake Park, nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other acts of nature or events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

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

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

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

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

18.22 Business Relationships: The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of

the Municipal Code of Chicago, (B) that Developer 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 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

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elected official has a Business Relationship, and (G) 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, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby. 18.23 No Joint Venture or Partnership .. Notwithstanding anything in this Agreement which may be interpreted or construed to the contrary, neither this Agreement nor the performance or completion of the transactions contemplated hereby shall create between Harper Court and Lake Park any business enterprise, whether it appear to be a joint venture or partnership, or any other business venture. Lake Park shall have no affirmative responsibility of any kind with respect to any covenants, representations, warranties or other obligations of Harper Court under this Agreement, and Harper Court shall have no affirmative responsibility of any kind with respect to any covenants, representations, warranties or other obligations of Lake Park under this Agreement. Similarly, obligations of the Developer under this Agreement, the representations and warranties of the Developer and the conditions to be satisfied by the Developer apply to Harper Court and Lake Park individually and neither party will be responsible for the other party's compliance or noncompliance with this Agreement.

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

[HARPER COURT/LAKE PARK TO PROVIDE SIGNATURE BLOCK INFORMATION FOR INSERTION]

[CJUF III HARPER COURT LLC SIGNATURE BLOCK]

By: __;__

Its: __ __

[LAKE PARK ASSOCIATES, INC. SIGNATURE BLOCK]

By: Its:

CITY OF CHICAGO

By: __

Commissioner Department of Housing and Economic Development

STATE OF ILLINOIS)

)SS

COUNTY OF COOK)

I, __, a notary public in and for the said County, in the State aforesaid,

DO HEREBY CERTIFY that __ personally known to me to be the

__ of __, an Illinois [corporation] (the

"Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the [Board of Directors] of the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this __ day of __, __.

Notary Public

(SEAL)

My Commission Expires,
STATE OF ILLINOIS COUNTY OF COOK

)
)SS)

I, [], a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that [], personally known to me to be the Commissioner of the Department of Housing and Economic Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument pursuant to the authority given to him/her by the City, as his/her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth. GIVEN under my hand and official seal this []_th day of []_.

Notary Public

My Commission Expires,
EXHIBIT A REDEVELOPMENT AREA [See Attached]

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Exhibit "A".

53rd Street T.L.F. District

All that part of Sections 11 and 12 in Township 38 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

beginning at the point of intersection of the north line of East Hyde Park Boulevard with the west line of South Blackstone Avenue; thence north along said west line of South Blackstone Avenue to the southwesterly extension of the northwesterly line of Lot 5 in Block 5 in Hyde Park, a subdivision of the east half of the southeast quarter and the east hah? of the northeast fractional quarter of Section 11, and the north part of the southwest fractional quarter of Section 12 and the northeast quarter of the northeast quarter of Section 14, all in Township 38 North, Range 14 East of the Third Principal Meridian; thence northeasterty along said southwesterly extension and the northwesterly line of Lot 5 in said Block 5 in Hyde Park to the southwesterly line of South Lake Park Avenue; thence northeasterly along the northwesterly line of vacated South Lake Park Avenue to the southwest corner of that part of Lot 4 in Block 6 in said Hyde Park

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heretofore dedicated as public right-of-way; thence northeasterly along the south line of that part of Lot 4 in Block 6 in said Hyde Park heretofore dedicated as a public right-of-way, said south line being also the north line of the parcel of property bearing Permanent Index Number 20-11-216-066, and along the easterly extension thereof to the easterly line of that part of the Illinois Central Railroad right-of-way bearing Permanent Index Number 20-11-500-003; thence southerly along said easterly line of that part of the Illinois Central Railroad right-of-way bearing Permanent Index Number 20-11-500-003 to the south line of Lot 10 in Block 17 in Hyde Park, a subdivision of the east half of the southeast quarter and the east half of the northeast fractional quarter of Section 11, and the north part of the southwest fractional quarter of Section 12 and the northeast quarter of the northeast quarter of Section 14, all in Township 38 North, Range 14 East of the Third Principal Meridian; thence east along said south line of Lot 10 in Block 17 in Hyde Park to the east line of Lot 12 in said Block 17 in Hyde Park; thence south along said east line of Lot 12 in Block 17 in Hyde Park to the south line of Lot 1 in Charles G. Rose's Lot 1, a subdivision of parts of Lots 10 and 11 in Block 17 in Hyde Park, a subdivision of the east half of the southeast quarter and the east half of the northeast fractional quarter of Section 11, and the north part of

the southwest fractional quarter of Section 12 and the northeast quarter of the northeast quarter of Section 14, all in Township 38 North, Range 14 East of the Third Principal Meridian; thence east along said south line of Lot 1 in Charles G. Rose's Lot 1, and along the easterly extension thereof to the easterly line of South Cornell Avenue; thence south along said easterly line of South Cornell Avenue to the south line of East 53rd Street; thence west along said south line of East 53rd Street to a line 94.57 feet west of and parallel with the west line of South Cornell Avenue, said line being also the West line of the parcel of property bearing Permanent Index Number 20-12-110-034; thence south along said line 94.57 feet west of and parallel with the west line of South Cornell Avenue, a distance of 92.70 feet, to a north line of said parcel of property bearing Permanent Index Number 20-12-110-034; thence west along said north line of the parcel of property bearing Permanent Index Number 20-12-110-034, a distance of 9.60 feet to the southerly most west line of said parcel of property bearing Permanent Index Number 20-12-110-034; thence south along said southerly most west line of said parcel of property bearing Permanent Index Number 20-12-110-034 to the north line of Lot 5 in Block 33 in aforesaid Hyde Park, a subdivision of the east half of the southeast quarter and the east half of the northeast fractional quarter of Section 11, and the north part of the southwest fractional quarter of Section 12 and the northeast quarter of the northeast quarter of Section 14, all in Township 38 North, Range 14 East of the Third Principal Meridian, said north line of Lot 5 being also the north line of the parcel of property bearing Permanent Index Number 20-12-110-002; thence west along said north line of the parcel of property bearing Permanent Index Number 20-12-110-002 to the west line thereof; thence south along said west line of the parcel of property bearing Permanent Index Number 20-12-110-49886

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002 to the north line of Lot 6 in said Block 33 in Hyde Park; thence west along said north line of Lot 6 in Block 33 in Hyde Park to the east line of the Illinois Central Railroad right-of-way bearing Permanent Index Number 20-12-500-003; thence south along said east line of the Illinois Central Railroad right-of-way bearing Permanent Index Number 20-12-500-003 to the easterly extension of the south line of East 54th Street, as said East 54th Street is opened and laid out in the east half of the southeast quarter of Section 11, Township 38 North, Range 14 East of the Third Principal Meridian; thence west along said easterly extension and the south line of East 54th Street, as said East 54th Street is opened and laid out in the east half of the southeast quarter of Section 11, Township 38 North, Range 14 East of the Third Principal Meridian, to the southerly extension of a line 120 feet west of and parallel with the east line of Block 31 in Hyde Park, a subdivision of the east half of the southeast quarter and the east half of the northeast fractional quarter of Section 11, and the north part of the southwest fractional quarter of Section 12 and the northeast quarter of the northeast quarter of Section 14, all in Township 38 North, Range 14 East of the Third Principal Meridian; thence north along said southerly extension and along a line 120 feet west of and parallel with the east line of Block 31 in Hyde Park to the south line of Lot 7 in said Block 31 in Hyde Park; thence west along said south line of Lot 7 in Block 31 in Hyde Park to a line 128 feet west of and parallel with the east line of Block 31 in Hyde Park; thence north along said line 128 feet west of and parallel with the east line of Block 31 in Hyde Park to the north line of the south 15 feet of Lot-2 in said Block 31 in Hyde Park; thence west along said north line of the south 15 feet of Lot 2 in said Block 31 in Hyde Park and along the north line of the south 15 feet of Lot 17 in Block 31 in Hyde Park to the east line of South Harper Avenue; thence south along said east line of South Harper Avenue to the easterly extension of the north line of Lot 4 in Block 30 in Hyde Park, a subdivision of the east half of the southeast quarter and the east half of the northeast fractional quarter of Section 11, and the north part of the southwest fractional quarter of Section 12 and the northeast quarter

of the northeast quarter of Section 14, all in Township 38 North, Range 14 East of the Third Principal Meridian, said north line of Lot 4 being also the south line of the alley south of East 53rd Street; thence west along said easterly extension and the north line of Lot 4 in Block 30 in Hyde Park to the west line of said Lot 4; thence south along said west line of said Lot 4, and along the west line of Lots 5, 6, 7, 8 and 9 in said Block 30 to the south line of the north 16 feet of said Lot 9 in Block 30 in Hyde Park; thence east along said south line of the north 16 feet of said Lot 9 in Block 30 in Hyde Park to the east line of the west 5 feet of said Lot 9 in Block 30 in Hyde Park; thence south along said east line of the west 5 feet of Lot 9 in Block 30 in Hyde Park and along the southerly extension thereof to the, south line of East 54th Street; thence west along said south line of East 54th Street to the west line of South Blackstone Avenue; thence north along said west line of South Blackstone Avenue to the north line of Lot 4 in Block 29 in Hyde Park, a subdivision of the east ha!^r of the southeast quarter and the east

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half of the northeast fractional quarter of Section 11, and the north part of the southwest fractional quarter of Section 12 and the northeast quarter of the northeast quarter of Section 14, all in Township 38 North; Range 14 East of the Third Principal Meridian; thence west along said north line of Lot 4 in Block 29 in Hyde Park and along the north line of Lot 15 in said Block 29 in Hyde Park and along the westerly extension thereof to the west line of South Dorchester Avenue; thence north along said west line of South Dorchester Avenue to the north line of the south 50 feet of Lots 1, 2 and the easterly 4 feet of Lot 3, all in Block 28 in Kimbark's Addition to Hyde Park, a subdivision of part of the west half of the southeast quarter of Section 11, Township 38 North, Range 14 East of the Third Principal Meridian; thence west along said north line of the south 50 feet of Lots 1, 2 and the easterly 4 feet of Lot 3, all in Block 28 in Kimbark's Addition to Hyde Park to the west line of said easterly 4 feet of Lot 3; thence south along said west line of the easterly 4 feet of Lot 3 in Block 28 in Kimbark's Addition to Hyde Park to the north line of Lot 13 in said Block 28 in Hyde Park; thence west along said north line of Lot 13 in Block 28 in Kimbark's Addition to Hyde Park to the west line of said Lot 13, said west line of Lot 13 being also the east line of the alley west of South Dorchester Avenue; thence south along said east line of the alley west of South Dorchester Avenue to the south line of Lot 16 in said Block 28 in Kimbark's Addition to Hyde Park; thence east along said south line of Lot 16 in Block 28 in Kimbark's Addition to Hyde Park and along the easterly extension thereof to the east line of South Dorchester Avenue; thence south along said east line of South Dorchester Avenue to the south line of East 54th Street; thence west along said south line of East 54th Street to the east line of South Kenwood Avenue; thence south along said east line of South Kenwood Avenue to the south line of East 55th Street; thence west along said south line of East 55th Street to the southerly extension of the east line of Lot 41 in Block 29 in aforesaid Kimbark's Addition to Hyde Park, said east line of Lot 41 being also the west line of South Kimbark Avenue; thence north along said southerly extension and along the west line of South Kimbark Avenue to the north line of East 54th Street; thence east along said north line of East 54th Street to the east line of the westerly 15 feet of Lot 19 in Block 27 in aforesaid Kimbark's Addition to Hyde Park; thence north along said east line of the westerly 15 feet of Lot 19 in Block 27 in Kimbark's Addition to Hyde Park to the north line of said Lot 19, said north line of Lot 19 being also the south line of the alley north of East 54th Street; thence west along said south line of the alley

north of East 54th Street to the southerly extension of the east line of Lot 12 in said Block 27 in Kimbark's Addition to Hyde Park; thence north along said southerly extension and the east line of Lot 12 and along the east line of Lot 11, both in Block 27 in Kimbark's Addition to Hyde Park to the north line of said Lot 11; thence west along said north line of Lot 11 in Block 27 in Kimbark's Addition to Hyde Park and along the westerly extension thereof to the west line of South Kimbark Avenue; thence north along said west line of South Kimbark Avenue to the south line of East 53rd Street; thence west along said south line of East 53rd 49888

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Street to the west line of South Woodlawn Avenue; thence north along said west line of South Woodlawn Avenue to the westerly extension of the south line of Lot 7 in Block 25 in aforesaid Kimbark's Addition to Hyde Park; thence east along said westerly extension and the south line of Lot 7 in Block 25 in Kimbark's Addition to Hyde Park and along the easterly extension thereof to the west line of Lot 5 in said Block 25 in Kimbark's Addition to Hyde Park, said west line of Lot 5 being also the east line of the alley east of South Woodlawn Avenue; thence south along said west line of Lot 5 in Block 25 in Kimbark's Addition to Hyde Park to the south line of said Lot 5, said south line of said Lot 5 being also the north line of the alley north of East 53rd Street; thence east along said north line of the alley north of East 53rd Street and along the easterly extension thereof to the east line of South Kimbark Avenue; thence south along said east line of South Kimbark Avenue to the south line of Lot 19 in Block 24 in Kimbark's Addition to Hyde Park; thence east along said south line of Lot 19 in Block 24 in Kimbark's Addition to Hyde Park to the east line of South Kimbark Avenue; thence south along said east line of South Kimbark Avenue to the south line of Lot 18 in said Block 24 in Kimbark's Addition to Hyde Park, said south line of Lot 18 being also the north line of the alley north of East 53rd Street; thence east along said north line of the alley north of East 53rd Street and along the easterly extension thereof to the easterly line of South Kenwood Street; thence south along said easterly line of South Kenwood Street to the north line of Lot 12 in Block 23 in Kimbark's Addition to Hyde Park; thence east along said north line of Lot 12 in Block 23 in Kimbark's Addition to Hyde Park and along the north line of Lots 13 and 14 in said Block 23 in Kimbark's Addition to Hyde Park to the west line of South Dorchester Avenue; thence east along a straight line to the southwest corner of Lot 13 in Block 22 in Hyde Park, a subdivision of the east half of the southeast quarter and the east half of the northeast fractional quarter of Section 11, and the north part of the southwest fractional quarter of Section 12 and the northeast quarter of the northeast quarter of Section 14, all in Township 38 North, Range 14 East of the Third Principal Meridian; thence east along the south line of said Lot 13 in Block 22 in Hyde Park to the east line thereof; thence north along said east line of Lot 13 in Block 22 in Hyde Park to the south line of Lot 5 in said Block 22 in Hyde Park; thence east along said south line of Lot 5 in Block 22 in Hyde Park and along the easterly extension thereof and along the south line of Lot 14 in Block 21 in Hyde Park to the west line of Lot 5 in said Block 21 in Hyde Park; thence north along said west line of Lot 5 in Block 21 in Hyde Park and along the west line of Lots 4, 3, 2 and 1 in said Block 21 in Hyde Park and along the northerly extension thereof to the north line of East 52nd Street; thence east along said north line of East 52nd

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Street to the east line of Lot 8 in Block 15 in Cornell's Resubdivision of Blocks 15 and 16 of Hyde Park, in the east half of the southeast quarter of Section 11, Township 38 North, Range 14 East of

the Third Principal Meridian; thence north along said east line of Lot 8 in Cornell's Resubdivision and along the east line of Lots 9 and 10 in said Cornell's Resubdivision to the north line of said Lot 10; thence west along said north line of said Lot 10 and along the westerly extension thereof to the west line of South Harper Avenue; thence north along said west line of South Harper Avenue to the south line of Lot 2 in Block 14 in aforesaid Hyde Park; thence west along said south line of Lot 2 in Block 14 in Hyde Park to the west line thereof; thence north along said west line of Lot 2 in Block 14 in Hyde Park and along the west line of Lot 1 in said Block 14 in Hyde Park to the south line of East Hyde Park Boulevard; thence west along said south line of East Hyde Park Boulevard to the southerly extension of the east line of Lot 12 in Block 9 in aforesaid Hyde Park, said east line of Lot 12 being also the west line of South Blackstone Avenue; thence north along said southerly extension to the point of beginning at the point of intersection of the north line of East Hyde Park Boulevard with the west line of South Blackstone Avenue; all in the City of Chicago, Cook County, Illinois.

Street Location Of Area.

The 53rd Street R.P.A. consists of approximately one hundred eighty-seven (187) tax parcels and sixty-three (63) buildings on twenty-four (24) blocks and contains approximately eighty-three and five-tenths (83.5) acres of land. The R.P.A. is generally linear in shape, extending east/west along East 53rd Street and north/south along South Lake Park Avenue. Most parcels within the R.P.A. front East 53rd Street or South Lake Park Avenue and almost entirely consist of commercial, institutional or mixed (commercial/residential) uses. The R.P.A. generally includes the north side of East 53rd Street from South Woodlawn Avenue on the west to South Cornell Avenue on the east and the south side of East 53rd Street from South Kimbark Avenue on the west to South Cornell Avenue on the east. The R.P.A. extends south to East 55th Street between South Kimbark and South Kenwood Avenues to include Nichols Park and south to East 54th Street on South Lake Park Avenue. The R.P.A. extends north along both sides of South Lake Park Avenue to approximately East 50th Street.

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EXHIBIT B-1
PROJECT SITE (Depiction)
[See Attached]

KEY

n
PHASE 1
53RD STREET
281.75' PLANNEO DEVELOPMENT BOUNDARY



APPLICANT: HARPER COURT PARTNERS **PROPERTY LINE**
PHASING

ADDRESS OF PROJECT: 5225 SOUTH HARPER
CHICAGO, ILLINOIS

DATE SUBMITTED: .DATE REVISED:
28,2010

EXHIBIT B-2
PROJECT SITE (Legal Description)
[Subject to Final Survey, Plat of Vacation and Title Insurance]
J [See Attached]

EXHIBIT B-2
PROJECT SITE (Legal Description)
[Subject to Final Survey, Plat of Vacation and Title Insurance]
PHASE 1

THE FOLLOWING DESCRIBED PROPERTY TAKEN AS A SINGLE TRACT OF LAND: LOTS 16, 17 AND 18 (EXCEPT THE WEST 14.00 FEET OF THE NORTH 90.00 FEET AND THE NORTH 88.13 FEET OF SAID LOTS), TOGETHER WITH THE WEST 29.86 FEET OF LOTS 1 AND 2 (EXCEPT THE NORTH 88.13 FEET THEREOF) AND THE WEST 29.86 FEET OF LOT 3 (EXCEPT THE SOUTH 20.00 FEET THEREOF) AND THE SOUTH 20.00 FEET OF SAID LOT 3 ALL IN BLOCK 20 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL $\frac{1}{4}$ OF SECTION 12 AND THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN,

ALSO

THE EAST 26.92 FEET OF THE WEST 29.86 FEET OF THE NORTH 88.13 FEET OF LOTS 1 AND 2 IN BLOCK 20 WHICH LIES BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +22.0 FEET CHICAGO CITY DATUM IN BLOCK 20 IN HYDE PARK AFORESAID,

ALSO

LOTS 1 TO 15 BOTH INCLUSIVE IN BLOCK 1 AND LOT 1 > 1 (EXCEPT THE WEST 14 FEET THEREOF AND EXCEPT THE SOUTH 4.94 FEET OF SAID LOT 11), LOTS 12, 13, 14 AND 15 EXCEPT THE WEST 14 FEET OF SAID LOTS 12, 13, 14 AND 15), LOT 16 (EXCEPT THE WEST 14 FEET OF THE SOUTH $\frac{1}{2}$ OF SAID LOT 16) AND LOTS 17 TO 27 BOTH INCLUSIVE (EXCEPT THE SOUTH 8 FEET OF SAID LOT 27 IN BLOCK 2 ALL IN WAITE'S SUBDIVISION OF LOTS 4 TO 15 BOTH INCLUSIVE IN BLOCK 20 IN HYDE PARK AFORESAID,

ALSO

THAT PART OF LOT 1 IN BLOCK 19, LYING SOUTH OF THE NORTH LINE OF THE SOUTH 20 FEET OF LOT 3 IN BLOCK 20 EXTENDED EAST, LOT 2 AND THE NORTH $\frac{1}{2}$ OF LOT 3 IN BLOCK 19, ALSO THE 66 FOOT RIGHT OF WAY OF SOUTH LAKE PARK AVENUE VACATED BY DOCUMENT 19999493, LYING WEST OF AND ADJOINING SAID PART OF LOT 1 AND WEST OF AND ADJOINING SAID LOTS 2 AND 3 (EXCEPTING THEREFROM THAT PART OF SAID LOTS 1, 2 AND 3 LYING EASTERLY OF A LINE 80 FEET WESTERLY OF AND CONCENTRIC TO THE WESTERLY LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD), IN HYDE PARK AFORESAID,

ALSO

LOTS 1, 2 AND 3 AND THE EAST WEST 15 FOOT VACATED ALLEY LYING SOUTH OF AND ADJOINING SAID LOT 1 AND NORTH OF AND ADJOINING SAID LOTS 2 AND 3 AND THE 66 FOOT RIGHT OF WAY OF SOUTH LAKE PARK AVENUE VACATED BY DOCUMENT 19999493, LYING WEST OF AND ADJOINING SAID LOTS 1, 2 AND 3 AND SAID VACATED ALLEY (EXCEPTING THEREFROM THAT PART OF SAID LOTS 1 AND 3 LYING EASTERLY OF A LINE 80 FEET WESTERLY OF AND CONCENTRIC TO THE WESTERLY LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD), IN CHURCH SUBDIVISION OF LOT 4 AND THE SOUTH $\frac{1}{2}$ OF LOT 3, IN BLOCK 19 IN HYDE PARK AFORESAID,

ALSO

THOSE PARTS OF TO BE VACATED STREETS AND ALLEYS DESCRIBED AS FOLLOWS:

THE WEST 14 FEET OF THE SOUTH 1.87 FEET OF THE NORTH 90 FEET OF LOTS 16, 17 AND 18 IN BLOCK 20 IN HYDE PARK AFORESAID,

ALSO

THAT PART OF S. HARPER AVENUE. WHICH LIES WEST OF AND ADJOINING THAT PART OF THE WEST 14 FEET OF LOTS 10, 11, 12, 13, 14, 15 AND 16 IN WAITE'S SUBDIVISION OF LOTS 4 TO 15, BOTH INCLUSIVE, IN BLOCK 20 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 11 AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL $\frac{1}{4}$ OF SECTION 12 AND THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING 20 FEET NORTH OF THE SOUTH LINE OF EAST 52ND PLACE AND LYING SOUTH OF THE SOUTH LINE OF LOT 4 EXTENDED EAST IN BLOCK 21 IN HYDE PARK SUBDIVISION

AFORESAID,
ALSO

THAT PART OF LOT 10 (EXCEPT THE WEST 14 FEET THEREOF) LYING NORTH OF A LINE 20 FEET NORTH OF THE SOUTH LINE OF EAST 52ND PLACE AND THE SOUTH 4.94 FEET OF LOT 11 (EXCEPT THE WEST 14 FEET THEREOF) IN BLOCK 2 WAITE'S SUBDIVISION OF LOTS 4 TO 15, BOTH INCLUSIVE, IN BLOCK 20 IN HYDE PARK, AFORESAID,

ALSO

THAT PART OF 21 FOOT WIDE S. HARPER AVENUE (TO BE VACATED) LYING EAST OF AND ADJOINING LOT 10 (EXCEPT THAT PART OF SAID LOT 10 WHICH LIES SOUTH OF A LINE 20 FEET NORTH OF THE SOUTH LINE OF E. HARPER PLACE) AND WHICH LIES EAST OF AND ADJOINING LOTS 11, 12, 13, 14, 15, 16, 17 AND 18 IN BLOCK 2 IN WAITE'S SUBDIVISION OF LOTS 4 TO 15, INCLUSIVE IN BLOCK 20 OF HYDE PARK, AFORESAID,

ALSO

THAT PART OF THE 14 FOOT NORTH-SOUTH ALLEY (TO. BE VACATED) LYING WEST OF AND ADJOINING SAID LOTS 1 TO 15 IN BLOCK 1 IN WAITE'S SUBDIVISION OF LOTS 4 TO 15, BOTH INCLUSIVE, IN BLOCK 20 IN HYDE PARK AFORESAID; ALL IN COOK COUNTY, ILLINOIS.

PHASE 2

THE FOLLOWING DESCRIBED PROPERTY TAKEN AS A SINGLE TRACT OF LAND: THE NORTH 88.13 FEET OF LOTS 16, 17 AND 18 (EXCEPT THE WEST 14.00 FEET THEREOF), TOGETHER WITH THE NORTH 88.13 FEET OF THE WEST 29.86 FEET OF LOTS 1 AND 2 (EXCEPT THE EAST 26.92 FEET OF THE WEST 29.86 FEET OF THE NORTH 88.13 FEET OF LOTS 1 AND 2 WHICH LIES BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +22.0 FEET CHICAGO CITY DATUM) ALL IN BLOCK 20 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST % AND THE EAST 1/2 OF THE NORTHEAST % OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL % OF SECTION 12 AND THE NORTHEAST % OF THE NORTHEAST % OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN,

ALSO

LOTS 3 AND 4 AND THE SOUTH 1/2 OF LOT 2 IN BLOCK 21 IN HYDE PARK SUBDIVISION AFORESAID

ALSO

THOSE PARTS OF TO BE VACATED SOUTH HARPER AVENUE DESCRIBED AS FOLLOWS:
THE WEST 14 FEET OF THE NORTH 88.13 FEET OF LOTS 16, 17 AND 18 IN BLOCK 20 IN HYDE PARK AFORESAID,

ALSO

THAT PART OF S. HARPER AVENUE LYING NORTH OF THE SOUTH LINE OF LOT 4 IN BLOCK 21 IN SAID HYDE PARK SUBDIVISION , EXTENDED EAST AND LYING SOUTH OF A LINE THAT IS 90.00 FEET SOUTH OF AND PARALLEL TO THE SOUTH LINE OF EAST 52ND STREET EXTENDED, ALL IN COOK COUNTY, ILLINOIS.

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EXHIBIT B-3

PROPERTY (Legal Description)

[Subject to Final Survey, Plat of Vacation and Title Insurance]

[See Attached].

EXHIBIT B-3

PROPERTY (Legal Description)

[Subject to Final Survey, Plat of Vacation and Title Insurance]

PHASE 1 , '

THE FOLLOWING DESCRIBED PROPERTY TAKEN AS A SINGLE TRACT OF LAND: LOTS 16, 17 AND 18 (EXCEPT THE WEST 14.00 FEET OF THE NORTH 90.00 FEET AND THE NORTH 88.13 FEET OF SAID LOTS), TOGETHER WITH THE WEST 29.86 FEET OF LOTS 1 AND 2 (EXCEPT THE NORTH 88.13 FEET THEREOF) AND THE WEST 29.86 FEET OF LOT 3 (EXCEPT THE SOUTH 20.00 FEET THEREOF) AND THE SOUTH 20.00 FEET OF SAID LOT 3 ALL IN BLOCK 20 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST % AND THE EAST 1/2 OF THE NORTHEAST % OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL % OF SECTION 12 AND THE NORTHEAST % OF THE NORTHEAST % OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN,

ALSO

THE EAST 26:92 FEET OF THE WEST 29.86 FEET OF THE NORTH 88.13 FEET OF LOTS 1 AND 2 IN BLOCK 20 WHICH LIES BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +22.0 FEET CHICAGO CITY DATUM IN BLOCK 20 IN HYDE PARK AFORESAID,

ALSO^v

LOTS 1 TO 15 BOTH INCLUSIVE IN BLOCK 1 AND LOT 11 (EXCEPT THE WEST 14 FEET THEREOF AND EXCEPT

THE SOUTH 4.94 FEET OF SAID LOT 11), LOTS 12, 13, 14 AND 15 EXCEPT THE WEST 14 FEET OF SAID LOTS 12, 13, 14 AND 15), LOT 16 (EXCEPT THE WEST 14 FEET OF THE SOUTH 1/2 OF SAID LOT 16) AND LOTS 17 TO 27 BOTH INCLUSIVE (EXCEPT THE SOUTH 8 FEET OF SAID LOT 27 IN BLOCK 2 ALL IN WAITE'S SUBDIVISION OF LOTS 4 TO 15 BOTH INCLUSIVE IN BLOCK 20 IN HYDE PARK AFORESAID,

” , ALSO

THAT PART OF LOT 1 IN BLOCK 19, LYING SOUTH OF THE NORTH LINE OF THE SOUTH 20 FEET OF LOT 3 IN BLOCK 20 EXTENDED EAST, LOT 2 AND THE NORTH 1/2 OF LOT 3 IN BLOCK 19, ALSO THE 66 FOOT RIGHT OF WAY OF SOUTH LAKE PARK AVENUE VACATED BY DOCUMENT 19999493, LYING WEST OF AND ADJOINING SAID PART OF LOT 1 AND WEST OF AND ADJOINING SAID LOTS 2 AND 3 (EXCEPTING THEREFROM THAT PART OF SAID LOTS 1, 2 AND 3 LYING EASTERLY OF A LINE 80 FEET WESTERLY OF AND CONCENTRIC TO THE WESTERLY LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD), IN HYDE PARK AFORESAID, ALSO

LOTS 1, 2 AND 3 AND THE EAST WEST 15 FOOT VACATED ALLEY LYING SOUTH OF AND ADJOINING SAID LOT 1 AND NORTH OF AND ADJOINING SAID LOTS 2 AND 3 AND THE 66 FOOT. RIGHT OF WAY OF SOUTH LAKE PARK AVENUE VACATED BY DOCUMENT 19999493, LYING WEST OF AND ADJOINING SAID LOTS 1, 2 AND 3 AND SAID VACATED ALLEY (EXCEPTING THEREFROM THAT PART OF SAID LOTS 1 AND 3 LYING EASTERLY OF A LINE 80 FEET WESTERLY OF AND CONCENTRIC TO THE WESTERLY LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD), IN CHURCH SUBDIVISION OF LOT 4 AND THE SOUTH 1/2 OF LOT 3, IN BLOCK 19 IN HYDE PARK AFORESAID,

t
ALSO

THOSE PARTS OF TO BE VACATED STREETS AND ALLEYS DESCRIBED AS FOLLOWS:

THE WEST 14 FEET OF THE SOUTH 1.87 FEET OF THE NORTH 90 FEET OF LOTS 16, 17 AND 18 IN BLOCK 20 IN HYDE PARK AFORESAID,

ALSO

THAT PART OF S. HARPER AVENUE WHICH LIES WEST OF AND ADJOINING THAT PART OF THE WEST 14 FEET OF LOTS 10, 11, 12, 13, 14, 15 AND 16 IN WAITE'S SUBDIVISION OF LOTS 4 TO 15, BOTH INCLUSIVE, IN BLOCK 20 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 AND THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 11 AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 12 AND THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING 20 FEET NORTH OF THE SOUTH LINE OF EAST 52ND PLACE AND LYING SOUTH OF THE SOUTH LINE OF LOT 4 EXTENDED EAST IN BLOCK 21 IN HYDE PARK SUBDIVISION AFORESAID,

ALSO

THAT PART OF LOT 10 (EXCEPT THE WEST 14 FEET THEREOF) LYING NORTH OF A LINE 20 FEET NORTH OF THE SOUTH LINE OF EAST 52ND PLACE AND THE SOUTH 4.94 FEET OF LOT 11 (EXCEPT THE WEST 14 FEET THEREOF) IN BLOCK 2 WAITE'S SUBDIVISION OF LOTS 4 TO 15, BOTH INCLUSIVE, IN BLOCK 20 IN HYDE PARK, AFORESAID,

ALSO.

THAT PART OF 21 FOOT WIDE S. HARPER AVENUE (TO BE VACATED) LYING EAST OF AND ADJOINING LOT 10 (EXCEPT THAT PART OF SAID LOT 10 WHICH LIES SOUTH OF A LINE 20 FEET NORTH OF THE SOUTH LINE OF E. HARPER PLACE) AND WHICH LIES EAST OF AND ADJOINING LOTS 11, 12, 13, 14, 15, 16, 17 AND 18 IN BLOCK 2 IN WAITE'S SUBDIVISION OF LOTS 4 TO 15, INCLUSIVE IN BLOCK 20 OF HYDE PARK, AFORESAID,

ALSO

THAT PART OF THE 14 FOOT NORTH-SOUTH ALLEY (TO BE VACATED) LYING WEST OF AND ADJOINING SAID LOTS 1 TO 15 IN BLOCK 1 IN WAITE'S SUBDIVISION OF LOTS 4 TO 15, BOTH INCLUSIVE, IN BLOCK 20 IN HYDE PARK AFORESAID, ALL IN COOK COUNTY, ILLINOIS.

EXHIBIT B-4

SITE PLAN FOR ALL PHASES OF DEVELOPMENT [See Attached]

EXISTING 4-STORY BUILDING I.U.C.
150.67

MULTI FAMILY

1S0.fi4'P.L.. "lf

APPLICANT: ALDERMAN TONI PRECKWINKLE (4TH V **SITE PLAN**

ADDRESS OF PROJECT: 5225 SOUTH HARPER AVENUE,
CHICAGO, ILLINOIS

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PLAN MATERIAL KEY

TYPICAL OFFICE (4th-10th) FLOOR PLAN
SCALE: 1/16" = 1'-0"
FOURTH FLOOR/ TYPICAL OFFICE (14-10) CORE PLAN

A1.4

TYPICAL OFFICE (11th-12th) FLOOR PLAN
SCALE: 1/16" = 1'-0"
PLAN MATERIAL KEY
KEY PLAN
HARPERCOURT
FOURTH FLOOR/ TYPICAL OFFICE (11-12); CORE PLAN

A 1.4b

)
EXHIBIT B-6 SITE PLAN FOR THE PROJECT [See Attached]

APPLICANT: ALDERMAN TONI PRECKWINKLE (4TH V **SUBAREA A
& C PHASE
1 PHASE 1 SITE
PLAN**

ADDRESS OF PROJECT: 5225 SOUTH HARPER AVENUE,
CHICAGO, ILLINOIS

DATE SUBMITTED: DATE APRIL 11, 2011
JULY 28, 2010 REVISED: OCTOBER SCALE: 1:1000
21, 2010

EXHIBIT C TIF-FUNDED IMPROVEMENTS [See Attached]

Harper Court Pro Forma (Phase 1) Page 3 of 4

Harper Court
Exhibit C
Chicago, Illinois
4/7/2011

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING _TIF Funded Improvements 1_

Cash Payment

City A Note

Construction Period Interest Cash Reimbursement (30%)

City B Note

Land Acquisition [65 ILCS 5/11-74.4-3 (q)(2)] Alley Vacations (Paid to the City of Chicago) Tenant Relocation (Includes Lake Park Associates Share) Lake Park Associates Land Acquisition Demolition (Existing Structures, Asbestos Remediation)

Public Improvements and Right of Way (Vacation, Dedication, and Easement Legal Expenses)

Site Preparation Construction Testing & Inspections

Special Waste Disposal (Includes Lake Park Associates Share) [65 ILCS 5/11-74.4-3 (q)(2)] Utility Relocation Costs [65 ILCS 5/11-74.4-3 (q)(4)] Excavation, Earthwork, Sheeting [65 ILCS 5/11-74.4-3 (q)(2)] Environmental Consultant/Reports Geotech./Soils Consultant/Reports

Site Infrastructure (Street Paving, Sidewalks, etc. in ROW/Public Easement) [65 ILCS 5/11-74.4-3 (q)(4)] Site Clearing for Sewer & Water 52nd Place 52nd Street 53rd Street Harper Avenue Harper Court Lake Park Avenue

General Site Work (Sewer, Water & Related Costs) Professional Fees [65 ILCS 5/11-74.4-3 (q)(l)] Construction Manager/Owners Representative

Centaur -- Owner's Construction Manager (Construction Management of Public Improvements)

Gardiner & Theobald Inc. -- CJUF Construction Manager (Construction Management of Public Improvements) Architectural & Engineering Fees/Professional Fees

Design (Design of Public Improvements, ROW, etc.)
Mechanical Engineering (Design of Public-Improvements, ROW, etc.)
Landscape Design (Design of Public Improvements, ROW, etc.)
Structural Engineering (Design of Public Improvements, Site Infrastructure, Underground, etc.)
2,000,000
300,000 320,000
283,639 250,000
690,000 841,320 667,568 3,782,176 49,608 24,000
114,898 29,448 133,407 240,949 304,240 388,693 240,997 2,243,505
291,200 60,178 4,440 87,000
106,942 \$ 43,200 \$
4,045,000
Total Land, Hard & Soft Costs
Financing Costs [65 ILCS 5/11-74.4-3 (q)(6)J TIF A-Note (Issuance Costs, Reserves, Capital Interest)
Debt Service Reserve"
Capitalized Interest
Issuance Costs Construction Period Interest (30%)
2,000,000
11,497,408
1,300,000 1,140,000 40,000
846,250
4,045,000
Total \$ 2,000,000 \$ 13,977,408 \$ 846,250 \$

¹ Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in Section 4.03 and shall not exceed \$20,045,000 of the Project Budget.

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING
4,045,000

>

EXHIBIT D REDEVELOPMENT PLAN [See Attached]

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negotiation, the Corporation Counsel is authorized to institute eminent domain proceedings to acquire such parcels. Nothing herein shall be in derogation of any-proper authority.

SECTION 6. Invalidity Of Any Section. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Supersedere All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 8. Effective Date. This ordinance shall be in full force and effect immediately upon its passage. [Exhibit "E" referred to in this ordinance printed on page 49880 of this Journal.]

Exhibits "A", "B", "C and "D" referred to in this ordinance read as follows:

Exhibit "A". (To Ordinance)

53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan And Project.

1.

Executive Summary.

In April, 2000, S. B. Friedman & Company was engaged by the City of Chicago (the "City") to conduct a Tax Increment Financing Eligibility Study and prepare a Redevelopment Plan and Project (the "Redevelopment Plan"). This report details the eligibility factor found within the 53rd Street Redevelopment Project Area Tax Increment Financing District (the "53rd Street R.P.A" or "R.P.A.") in support of its

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designation as a "conservation area" within the definitions set forth in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the "Act"). This report also contains the Redevelopment Plan and Project for the 53rd Street R.P.A.

The 53rd Street R.P.A. is mostly located within the Hyde Park community area but also extends north into the Kenwood community area. It consists of one hundred eighty-seven (187) tax parcels and sixty-three (63) buildings on twenty-four (24) blocks and contains approximately eighty-three and five-tenths (83.5) acres of land.

Detennination Of Eligibility.

This report concludes that the 53rd Street R.P.A. is eligible for Tax Increment Financing ("T.I.F.") designation as a "conservation area" because fifty percent (50%) or more of the structures in the area have an age of thirty-five (35) years or more and because the following four (4) eligibility factors have been found to be present to a major extent:

- lack of growth in equalized assessed value; structures below minimum code; excessive land coverage; and
- inadequate utilities. -

The factors are defined under the Act at 65 ILCS 5/1 1-74.4-3(a) and (b). Additionally, three (3) other eligibility factors are present to a minor extent and demonstrate that the 53rd Street R.P.A. is in a state of gradual decline through disinvestment". Left unchecked, these conditions could accelerate the decline of the community and, combined with those factors that have been documented to be present to a major extent, could lead to more widespread and intensive disinvestment. These factors are: '

- deterioration;

¹ - deleterious land-use or layout; and
obsolescence. '

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Redevelopment Plan Goal, Objectives and Strategies.

The overall goal of the Redevelopment Plan is to reduce or eliminate conditions that qualify the 53rd Street R.P.A. as a conservation area and to provide the direction and mechanisms necessary to reestablish the R.P.A. as a cohesive and vibrant mixed-use commercial district that provides a comprehensive range of commercial and retail uses to the surrounding residential community, while accommodating residential and institutional uses where appropriate. Redevelopment of the R.P.A. will stimulate redevelopment in surrounding neighborhoods.

Rehabilitation and redevelopment of the R.P.A. are to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment. The underlying strategy is to use tax increment financing, as well as other funding sources, to reinforce and encourage further private investment.

Objectives. Fourteen (14) objectives support the overall goal of area-wide revitalization of the 53rd Street R.P.A.. These objectives include:

1. provide resources for streetscaping and landscaping to visually link the area's diverse land uses and create a cohesive and integrated identity for the area which is focused at the intersection of the 53rd Street and Lake Park Avenue corridors;
2. facilitate the provision of adequate on- and off-street parking and improved service access for visitors, employees and customers of the R.P.A.;
3. facilitate the improvement and expansion of existing public facilities as needed, such as schools and parks, and facilitate the development of new public facilities in appropriate locations throughout the R.P.A. as needed and in accordance with the Redevelopment Plan;
4. foster the replacement, repair and/or improvement of the public infrastructure where needed, including sidewalks, streets, curbs, gutters and underground water and sanitary systems, to facilitate the rehabilitation of mixed-use, commercial institutional and public properties within the 53rd Street R.P.A. as well as the construction of new retail, commercial and mixed-use development where appropriate;
5. support the goals and objectives of other overlapping plans, including A Vision for the Hyde Park Retail District (City of Chicago Planning Now Study, March, 2000), and coordinate available federal, state and local resources to further the goals of this redevelopment plan;

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6. facilitate the preservation and/or rehabilitation of retail, commercial and institutional uses, and architecturally

or historically significant buildings in the 53rd Street R.P.A.

7. preserve and enhance the pedestrian orientation of appropriate retail nodes, such as the 53rd Street and Lake Park Avenue intersection, by encouraging pedestrian-friendly uses and design strategies that include, but are not limited to, the following: facilitate safe pedestrian movement across wide arterial streets through improvement of pedestrian amenities; widen narrow sidewalks; and create visual interest and safer pedestrian environments with streetscaping, landscaping, lighting and buffering;

8. strengthen the economic well-being of the 53rd Street R.P.A. by providing resources for retail, commercial, mixed-use and institutional development in the 53rd Street R.P.A., as appropriate;

9. create a positive environment for educational, recreational and other institutional facilities where needed and in accordance with the Redevelopment Plan by providing enhancement opportunities for public facilities and institutions, such as schools, parks and transit facilities;

10. encourage the development of mixed-use, commercial, retail and institutional uses, as appropriate, along the major corridors of 53rd Street and Lake Park Avenue and at the core 53rd Street/Lake Park Avenue intersection that respect the historic character of the area;

11. facilitate the remediation of environmental problems to provide additional land for new retail, commercial and mixed-use development and redevelopment, as appropriate;

12. provide opportunities for women-owned, minority-owned and locally owned businesses to share in the job and construction opportunities associated with the redevelopment of the 53rd Street R.P.A.

13. support job training programs and increase employment opportunities, including welfare to work programs, for individuals working in area businesses; and

14. support the cost of day care operations established by businesses in the R.P.A. to serve employees of low-income families working in the R.P.A.

Strategies. These objectives will be implemented through five (5) specific and integrated strategies. These strategies include:

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1. Implement Public Improvements. A series of public improvements throughout the 53rd Street R.P.A. may be designed and implemented to help define and create an identity for the area and subareas, prepare sites for anticipated private investment, and create a more conducive environment for retail, commercial, and mixed-use development. Public improvements which are implemented with T.I.F. assistance are intended to complement and not replace existing funding sources for public improvements in the R.P.A.

Public) improvements may include new public parking facilities, streetscaping, improved street and sidewalk lighting, resurfacing of alleys, sidewalks and streets, improvement of underground infrastructure and other public improvements consistent with the Redevelopment Plan. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation or restoration of public improvements on one (1) or more parcels.

2. Develop Underutilized Sites. The redevelopment of undemtilized sites within the 53rd Street R.P.A. is expected to stimulate both physical and economic private investment and enhance properties within the R.P.A.. Development of undemtilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.

3. Encourage Private Sector Activities. Through the creation and support of public-private partnerships, or through written agreements the City may provide financial and other assistance to encourage the private sector, including local property owners and businesses, to undertake rehabilitation and redevelopment projects and other improvements that are consistent with the goals of this Redevelopment Plan and which maintain the integrity of the

- historically significant buildings in the Hyde Park-Kenwood Historic District.

4. Facilitate/Support New Development. To facilitate private market interest, the City may enter into agreements within the limits of the Act to facilitate and support redevelopment projects that complement and comport with the goals, objectives and strategies of this Redevelopment Plan.

The private sector often acquires and assembles property to create redevelopment opportunities and suitable sites for modern development needs. Property assembly by the private sector to meet the goals, policies or objectives of this Redevelopment Plan may be assisted by using tax increment revenues.

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5. Facilitate Site Preparation Or Environmental Remediation. To meet the goals, policies or objectives of this Redevelopment Plan, the City may engage in site preparation or environmental remediation as needed.

Furthermore, the City may require written development agreements with developers before assisting in site preparation or environmental remediation of any properties.

Required Findings.

The required conditions for the adoption of the Redevelopment Plan and Project are found to be present within the 53rd Street R.P.A.

First, the City is required to evaluate whether or not the R.P.A. has been subject to growth and private investment and must substantiate a finding of lack of such investment prior to establishing a tax increment financing district.

While some new investment has occurred in the 53rd Street R.P.A. between 1995 and the beginning of 2000, this investment has been minimal in scope and in areas isolated within the R.P.A.. Taken as a whole, the R.P.A. has not been subject to growth and development through investment by private enterprise. The 53rd Street R.P.A. is located entirely within Hyde Park Township. From 1994 through 1999 the growth of equalized assessed valuation ("E. A.V.", which is the value of property from which property taxes are based) in the R.P.A. has lagged behind that of both the City of Chicago and Hyde Park Township. The compound annual growth rate of E.A.V. for the 53rd Street R.P.A. was only two and twenty-four hundredths percent (2.24%) between 1994 and 1999. In comparison, the compound annual growth rate of E.A.V. was two and seventy-six hundredths percent (2.76%) for Hyde Park Township and three and twenty-eight hundredths percent (3.28%) for the City of Chicago over the same period of time.

As another method to examine the scope of new investment in the 53rd Street R.P.A., S.B. Friedman & Company examined building permit data provided by the City of Chicago Department of Buildings.

Specifically, we examined building permit data for the period from 1995 to early 2000 which revealed that fifty-five (55) permits were issued within the 53rd Street R.P.A. totaling Three Million Six Hundred Thousand Dollars (\$3,600,000). Only three (3) were for new construction. The remaining fifty-two (52) permits were for rehabilitation, mechanical upgrades, minor repairs or code compliance.

Based on our review of the data of the fifty-five (55) permits, two (2) permits (totaling approximately One Million Dollars (\$1,000,000)) were initiated for public schools. The remaining fifty-three (53) permits (Two Million Six Hundred Thousand Dollars (\$2,600,000)) were privately initiated, with only Twenty-nine Thousand Five

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Hundred Dollars (\$29,500), or one percent (1%), of the total private investment issued for new construction. On average over our five (5) year study period, privately initiated permits amounted to approximately Five Hundred Twenty Thousand Dollars (\$520,000) per year of total private investment, or less than one percent (1%) of the total Assessor's market value of all property within the 53rd Street R.P.A.. At this rate, it would take the private market a substantial amount of time to replace the current Assessor's market value of the R.P.A.

Furthermore, a majority of the private investment has been limited to specific locations within the R.P.A. and has not been evenly distributed throughout the area. Nine (9) permits totaling One Million

Sixty-nine Thousand Dollars (\$1,069,000), or nearly forty-one percent (41%) of the total private investment, was issued to only one (1) building. The remaining forty-four (44) privately initiated permits, totaling One Million Five Hundred Thousand Dollars (\$1,500,000), were issued for general repairs, alterations to existing uses and additions.

The impact on surrounding properties of the property investment on which building permits were issued has been isolated and minimal. Approximately two-thirds (66%) of the total value of building permits in the last five (5) years were issued for only three (3) of the sixty-three (63) buildings in the R.P.A., two (2) of which are schools. These new investments, and existing property improvements have not stimulated widespread new private investment in the 53rd Street R.P.A.

Second, the City is required to find that, but for the designation of the T.I.F. district and the use of tax increment financing, it is unlikely that significant investment will occur in the 53rd Street R.P.A.

Without the support of public resources, the redevelopment objectives of the 53rd Street R.P.A. would most likely not be realized. The area-wide improvements and development assistance resources needed to rehabilitate and revitalize the 53rd Street R.P.A. as a mixed-use commercial district are extensive and costly, and the private market, on its own, has shown little ability to absorb all of these costs. Public resources to assist with site preparation, environmental remediation, public infrastructure improvements, and private property rehabilitation are needed to leverage private investment and facilitate area-wide redevelopment consistent with the Redevelopment Plan. T.I.F. funds can be used to fund site preparation, environmental remediation, infrastructure improvements and building rehabilitation. Accordingly, but for creation of the 53rd Street R.P.A., these projects, which would contribute substantially to area-wide redevelopment, are unlikely to occur without T.I.F. designation for the 53rd Street R.P.A.

Third, the 53rd Street R.P.A. includes only those contiguous parcels of real property that are expected to benefit substantially from the proposed Redevelopment Plan improvements.

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Finally, the proposed land uses described in this Redevelopment Plan will be approved by the Chicago Plan Commission prior to its adoption by the City Council. The redevelopment opportunities identified in earlier area planning initiatives will be substantially supported and their implementation facilitated through the creation of the Redevelopment Plan.

2.

Introduction.

The Study Area.

This document serves as the eligibility study ("Eligibility Study") and Redevelopment Plan and Project for the 53rd Street Redevelopment Project Area ("53rd Street R.P.A." or "R.P.A."). The 53rd Street R.P.A. is located within the Hyde Park and Kenwood community areas of the City of Chicago (the "City"), in Cook County (the "County"). In April, 2000, S. B. Friedman & Company was engaged by the City to conduct a study of certain properties in these neighborhoods to determine whether the area containing these properties would qualify for status as a "blighted area" and/or "conservation area" under the Act.

The community context of the 53rd Street R.P.A. is detailed on Map 1.

The 53rd Street R.P.A. consists of approximately one hundred eighty-seven (187) tax parcels and sixty-three (63) buildings on twenty-four (24) blocks and contains approximately eighty-three and five-tenths (83.5) acres of land. The R.P.A. is generally linear in shape, extending east/west along 53rd Street and north/south along Lake Park Avenue. Most parcels within the R.P.A. front 53rd Street or Lake Park Avenue and almost entirely consist of commercial, institutional or mixed (commercial/residential) uses. The R.P.A. generally includes the north side of 53rd Street from Woodlawn Avenue on the west to Cornell Avenue on the east and the south side of 53rd Street from Kimbark Avenue on the west to Cornell Avenue on the east. The R.P.A. extends south to 55th Street between Kimbark and Kenwood Avenues to include Nichols Park and south to 54th Street on Lake Park Avenue. The R.P.A. extends north along both sides of Lake Park Avenue to approximately 50th Street.

Appendix I contains the legal description of the 53rd Street R.P.A.

Map 2 details the boundaries of the 53rd Street R.P.A. which include only those contiguous parcels of real property that are expected to benefit substantially by the Redevelopment Plan improvements discussed herein. The boundaries represent an area that is focused on 53rd Street, which serves as the "main street" of the Hyde

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Park community. The core of the R.P.A. is the intersection of 53rd Street and Lake Park Avenue which serves in many ways as the gateway to the Hyde Park neighborhood.

53rd Street between Cornell Avenue and Woodlawn Avenue contains a diverse mix of commercial and retail, professional services, institutional and residential uses. Lake Park Avenue is the main link between 53rd Street and Hyde Park's other retail streets. There is a concentration of retail uses at the intersection of 53rd Street and Lake Park Avenue, and retail and institutional uses also extend north of 53rd Street along Lake Park Avenue. The corridors included in the R.P.A. also are cohesive in that they together provide a complete range of retail, commercial, service and institutional uses to area residents and visitors. In order to remain a viable commercial and mixed-use corridor, it is critical that the appearance of these two (2) major corridors successfully blend with each other and with the neighboring residential areas and that a long-term parking strategy together with improved access to the retail district are implemented. Without streetscaping, improved vehicular and pedestrian movement, and the creation of a long-term parking strategy the R.P.A. can fall into further disrepair and minimize development opportunities in the surrounding areas. Each corridor and therefore all property in the 53rd Street R.P.A. will benefit from a strategy that addresses the deteriorating streetscapes and building conditions throughout the R.P.A.

The majority of the property within R.P.A. is within the Hyde Park/Kenwood Historic District listed in the National Register of Historic Places in 1979. The Historic District includes residential, commercial, mixed-use and institutional buildings which reflect the history and development of the area from the late nineteenth century and first half of the twentieth century. The overall historical and architectural character of the Historic District should be preserved and enhanced.

The Eligibility Study covers events and conditions that exist and that were determined to support the designation of the 53rd Street R.P.A. as a "conservation area" under the Act at the completion of our research on June 5, 2000 and not thereafter. These events or conditions include, without limitation, governmental actions and additional developments.

This Eligibility Study and Redevelopment Plan summarize the analysis and findings of the consultant's work, which, unless otherwise noted, is solely the responsibility of S. B. Friedman & Company. The City is entitled to rely on the findings and conclusions of the Redevelopment Plan in designating the 53rd Street R.P.A. as a redevelopment project area under the Act. S. B. Friedman & Company has prepared this Redevelopment Plan with the understanding that the City would rely (1) on the findings and conclusions of the Redevelopment Plan in proceeding with the designation of the 53rd Street R.P.A. and the adoption and implementation of the Redevelopment Plan, and (2) on the fact that S. B. Friedman & Company has

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obtained the necessary information including, without limitation, information relating to the equalized assessed value of parcels comprising the 53rd Street R.P.A., so that the Redevelopment Plan will comply with the Act and that the 53rd Street R.P.A. can be designated as a redevelopment project area in compliance with the Act.

History Of Area¹¹¹.

The 53rd Street R.P.A. is located within two (2) community areas located on the south side of the City of Chicago. Most of the 53rd Street R.P.A. is located within the Hyde Park community area which is generally bounded by 51st Street on the north; Lake Michigan on the east; 60th Street on the south; and Cottage Grove Avenue on the west. A small two (2) block portion of the north boundary of the 53rd Street R.P.A. (which includes Kenwood Academy and the Wirth Experimental School) is located within the Kenwood community which is generally defined by 43rd Street on the north; Lake Michigan on the east; 51st Street on the south; and

Cottage Grove Avenue on the west.

Hyde Park. Settlement of the Hyde Park community began in the 1850s with the subdivision of land and the construction of an Illinois Central Railroad Station at Lake Park Avenue and 53rd Street. Hyde Park Township was incorporated in 1861, and during the 1860s further subdivision took place and a water works and gas plant were established. Further development in the area was spurred by the creation of Jackson and Washington Parks and by 1880 the Village of Hyde Park had reached a population of fifteen-thousand (15,000).

The Village of Hyde Park was annexed to Chicago in 1889 and in the next decade Hyde Park experience major growth due to the Columbian Exposition and the University of Chicago, which opened in 1892. The area south of 55th Street was dominated by the University, while the northern and eastern sections of Hyde Park were oriented toward the Loop, which was easily accessed by the Illinois Central trains. The housing stock was a mixture of smgle-family homes, apartments and rooming houses. The population of Hyde Park continued to grow, reaching thirty-seven thousand (37,000) in 1920 and forty-eight thousand (48,000) by 1930. During the Depression, compartmentalizing of large homes and conversion of apartments took place in order to accommodate the increased population.

(1) Information on the history of the Hyde Park and Kenwood community areas was derived from the Local Community Fact Book Chicago Metropolitan Area 1990, edited by the Chicago Fact Book Consortium (copyright 1995, Board of Trustees of the University of Illinois) at pages 132 - 133 and 136- 137.

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Between 1930 and 1950, approximately three thousand (3,000) new apartment units were constructed. The community's historic peak in population was fifty-five thousand (55,000) in 1950. However, the deterioration of buildings constructed during the Columbian Exposition era required rehabilitation or demolition and the housing shortage became acute. There was much turnover in the 1950s and the Hyde Park-Kenwood Community Conference was formed to halt urban decay and encourage racial integration. The South East Chicago Commission was formed in 1952 to reduce crime, eliminate the unlawful substruction of apartments, and to help develop a strong commercial base. In 1955, urban renewal in Hyde Park began with significant demolition on 55th Street from Lake Park to Kenwood Avenues and in 1957, the Chicago City Council approved a Twenty Million Dollar (\$20,000,000) redevelopment project for 55th Street from Lake Park to Dorchester Avenues.

The total population dropped by twelve thousand (12,000) during the 1960s from forty-five thousand five hundred seventy-seven (45,577) to tMrty-three thousand five hundred fifty-nine (33,559) and housing overcrowding was reduced, despite the fact that the number of housing units declined by more than twenty percent (20%) during that decade. This trend continued through 1990, although the decline was much more gradual since 1970. The total population in 1990 was twenty-eighty thousand six hundred thirty (28,630). In spite of hopeful signs of residential and commercial development in the Hyde Park area as a whole, 53rd Street is in need of investment from the private sector and physical rehabilitation of public and institutional uses. There is substantial evidence of physical decay along with issues of competitiveness and functionality on 53rd Street itself between Woodlawn and Lake Park Avenues. Rehabilitation in the area has been scattered and a coordinated redevelopment strategy is needed to address these issues and improve the appearance and functionality of 53rd Street and to secure its continued identity as the "main street" of this diverse urban community.

Kenwood. The northern boundary of the 53rd Street R.P.A. includes a two (2) block area that is located in the southern portion of Kenwood. In 1861, the settlement known as Kenwood at 43rd Street and the Illinois Central Railroad was included in the incorporation of Hyde Park. The fire in 1871 provided the major stimulus for residential development and many large homes were built as Kenwood had become the fashionable suburb of the south side. In 1889, Kenwood was annexed to Chicago as part of the Village of Hyde Park.

The southern section of Kenwood was generally defined as the area south of 47th Street and north of Hyde Park Boulevard, east of Cottage Grove Avenue. By the 1930s some of the housing stock was beginning to deteriorate

and conversion of the dwelling units into smaller apartment units was taking place to accommodate an increasing demand for housing, especially between 1940 and 1960.

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Concerted efforts to renovate the southern division (south of 47th Street) of Kenwood began in the 1950s with the organization of the Hyde Park-Kenwood Community Conference and a Hyde Park/Kenwood Conservation Area was designated in 1956. Large amounts of demolition occurred throughout Kenwood in the 1960s and the number of housing units continued to decrease. The population has decreased from a peak in 1960 of forty-one thousand five hundred (41,500) to eighteen thousand (18,000) in 1990. Kenwood remains an area of great socioeconomic disparities.

The small portion of Kenwood that is included in the 53rd Street R.P.A.s located along a two (2) block area on the west side of Lake Park Avenue between 51st and 49th Streets. This area, which contains mostly institutional uses, is important to the continuity and viability of the 53rd Street commercial corridor because of its connection to the northern areas of Hyde Park and southern Kenwood by Lake Park Avenue.

Existing Land-Use.

Based upon S. B. Friedman & Company's research, five (5) land uses have been identified within the 53rd Street R.P.A.:

commercial;)

- institutional (including public facilities, schools, social services); parks/open space; vacant land; mixed-use (including mostly commercial/residential buildings).

The overall pattern of land-use in the 53rd Street R.P.A. is shown on Map 3. The land uses displayed on Map 3 represent the predominant land-use; the predominant land-use displayed is not necessarily the only land-use present on a given block, but rather the predominant use. Most blocks within the R.P.A. contain more than one (1) land-use. The mixed-use designation is used in those areas where more than one (1) land-use is combined, and in this case is almost completely reflective of buildings which share commercial and residential uses.

However, mixed-use has also been used to characterize the presence of two (2) or more of the following land uses: residential, commercial, commercial/residential or institutional. The predominant land uses in the 53rd Street R.P.A. are commercial and mixed-use commercial/residential, interspersed with institutional land uses.

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residential uses have been included.

Institutional uses include public facilities, religious institutions, daycare facilities, and social service uses. The public schools within the 53rd Street R.P.A. are Murray . Academy and Wirth Experimental School (both elementary schools), and Kenwood Academy (high school). Combined, these schools have unfunded capital needs totaling approximately Two Million Seven Hundred Thousand Dollars (\$2,700,000) according to the Chicago Public Schools Capital Improvements Program (C.I.P.) for fiscal years 1999 - 2003. Wirth Experimental School is located immediately north of Kenwood Academy and it appears prudent to include it within the boundaries of /the R.P.A. for coordinated and cohesive planning and capital improvements in the future. Other public uses and facilities within the R.P.A. include the 53rd Street Metra Station at Lake Park Avenue on the MetraTSlectric line and the associated underpass; Elm and Spruce Playlots; and Nichols Park. According to the Planning, Research and Evaluation Department of the Chicago Park District, there are no current capital improvement plans for the two (2) playlots in the R.P.A. and there is one (1) funded project for Nichols Park involving the expansion of Murray Academy. Despite the current lack of plans with unmet capital needs, initial signs of deterioration of surface improvements at all three (3) parks were found in our field survey. The inclusion pf these three (3) public park facilities is warranted because of their close association with 53rd Street in general and their likely benefit from public improvement plans for 53rd Street! In addition, the parks help connect 53

rd Street to surrounding residential neighborhoods and Nichols Park helps connect 53rd Street to the commercial district along 55th Street.

Surrounding public facilities are shown on Map 6.

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Eligibility Analysis.

Provisions Of The Illinois Tax Increment Allocation Redevelopment Act.

Based upon the conditions found within the 53rd Street R.P.A. at the completion of S. B. Friedman & Company's research, it has been determined that the 53rd Street R.P.A. meets the eligibility requirements of the Act as a conservation area. The following outlines the provisions of the Act to establish eligibility. Under the Act, two (2) primary avenues exist to establish eligibility for an area to permit the use of tax increment financing for area redevelopment:, declaring an area as a "blighted area" and/or a "conservation area".

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"Blighted areas" are those improved or vacant areas with blighting influences that are impacting the public safety, health, morals or welfare of the community, and are substantially impairing the growth of the tax base in the area. "Conservation areas" are those improved areas which are deteriorating and declining and soon may become blighted if the deterioration is not abated.

The statutory provisions of the Act specify how a district can be designated as a "conservation" and/or "blighted area" district based upon an evidentiary finding of certain eligibility factors listed in the Act. These factors are identical for each designation.

According to the Act, "blighted areas" must have a combination of five (5) or more of these eligibility factors acting in concert which threaten the health, safety, morals or welfare of the proposed district.

"Conservation areas" must have a minimum of fifty percent (50%) of the total structures within the area aged thirty-five (35) years or older, plus a combination of three (3) or more additional eligibility factors which are detrimental to the public safety, health, morals or welfare and which, could result in such an area becoming a blighted area.

The factors are listed at 65 ILCS 5/1 I-74.4-3(a) and (b) and are defined in the Act as follows:

Eligibility Factors For Improved Areas.

Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking and surface storage areas evidence deterioration including but not limited to, surface cracking, crumbling potholes, depressions, loose paving material and weeds protruding through paved surfaces.

Presence Of Structures Below Minimum Code Standards. All structures that do not meet the standards of zoning, subdivision, building, fire and other governmental codes applicable to property, but not including housing and

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property maintenance codes.

Illegal Use Of Individual Structures. The use of structures in violation of the applicable federal, State or

local laws, exclusive of those applicable to the presence of structures below minimum code standards. **Excessive Vacancies.** The presence of buildings that are unoccupied or underutilized and that represent an adverse influence on the area because of the frequency, extent or duration of the vacancies. **Lack Of Ventilation/Light Or Sanitary Facilities.** The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

Inadequate Utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines and gas, telephone and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete or in disrepair, or (iii) lacking within the redevelopment project area.

Excessive Land Coverage And Overcrowding Of Structures And Community Facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one (1) or more of the following conditions: insufficient provision for light and air within Or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking or inadequate provision for loading and service.

Deleterious Land-Use Or Layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive or unsuitable for the surrounding area.

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Environmental Clean-Up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Lack Of Community Planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

Lack Of Growth In Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.

As explained, "blighted areas" must have a combination of five (5) or more of these eligibility factors and "conservation areas" must have a minimum of fifty percent (50%) of the total structures within the area aged thirty-five (35) years or older, plus a combination of three (3) or more additional eligibility factors.

Factors For Vacant Land.

Under the provisions of the "blighted area" section of the Act, if the land is vacant, a combination of two (2) or more of the following factors also may be identified which combine to impact the sound growth of the redevelopment project area.

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Obsolete Platting Of Vacant Land. Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys or other public rights-of-way or that omitted easements for public utilities.

Diversity Of Ownership. Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

Tax And Special Assessment Delinquencies. Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last five (5) years.

Deterioration Of Structures Or Site Improvements In Neighboring Areas Adjacent To The Vacant Land.

Environmental Clean-Up. The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances or underground storage tanks required by state or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Lack Of Growth In Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.

Additionally, under the "blighted area" section of the Act, eligibility may be established for those vacant areas that would have qualified as a blighted area immediately prior to becoming vacant. Under this test for establishing eligibility, building records may be reviewed to determine that a combination of five (5) or more of the thirteen (13) "blighted area" eligibility factors were present immediately prior to demolition of the area's structures.

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The vacant "blighted area" section includes five (5) other tests for establishing eligibility, but none of these are relevant to the conditions within the 53rd Street R.P.A.

Methodology Overview And Determination Of Eligibility.

Analysis of eligibility factors was done through research involving an extensive exterior survey of all properties within the 53rd Street R.P.A., as well as a review of building and property records. Property records included building code violation citations, building permit data and assessor information. Our survey of the area established that there are sixty-three (63) buildings within the 53rd Street R.P.A. In addition, verification of the age of area buildings was obtained from other sources such as assessor data and aerial photographs.

The areas located within the 53rd Street R.P.A. are predominantly characterized by mixed-use, commercial and institutional structures of varying degrees of deterioration. All properties were examined for qualification factors consistent with either "blighted area" or "conservation area" requirements of the Act. Based upon these criteria, the properties within the 53rd Street R.P.A. qualify for designation as a T.I.F. Redevelopment Project Area as a "conservation area" as defined by the Act.

To arrive at this designation, S. B. Friedman & Company calculated the number of eligibility factors present on a building-by-building or parcel-by-parcel basis and analyzed the distribution of the eligibility factors on a block-by-block basis. When appropriate, we calculated the presence of eligibility factors on infrastructure and ancillary properties associated with the structures. The eligibility factors were correlated to buildings using Sanborn Maps, property files created from field observations and record searches. Some eligibility factors were examined within the context of entire blocks or the whole R.P.A., and apply only to entire blocks or the whole R.P.A.. The information was then graphically plotted on a block map of the 53rd Street R.P.A. to establish the distribution of eligibility factors, and to determine which factors were present to a major or minor extent.

Major factors are used to establish eligibility. These factors are present to a meaningful extent on most of the blocks and are evenly distributed throughout the R.P.A.. Minor factors are supporting factors present to a meaningful extent on some of the blocks or on a scattered basis. The presence of minor factors suggests that the area is at risk of more extensive deterioration and disinvestment.

While it may be concluded that the mere presence of the minimum number of the stated factors may be sufficient to make a finding as a conservation area, this evaluation was made on the basis that the conservation area factors must be present to an extent that indicates that public intervention is appropriate or

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necessary. Secondly, the distribution of conservation area factors must be reasonably distributed throughout the R.P.A. so that basically good areas are not arbitrarily included in the R.P.A. simply because of proximity to areas that qualify as a conservation area. I . .

Conservation Area Findings.

As required by the Act, within a conservation area, at least fifty percent (50%) of the buildings must be thirty-five (35) years of age or older, and at least three (3) of the fourteen (14) other eligibility factors must be found present to a major extent within the 53rd Street R.P.A.

Establishing that at least fifty percent (50%) of the 53rd Street R.P.A. buildings are thirty-five (35) years of age or older is a condition precedent to establishing the area as a conservation area under the Act. Taking into account information obtained from architectural characteristics, building configurations, information from the Cook County Assessor's Office, structure base maps and the historic development patterns within the community, we have established that of the sixty-three (63) buildings, forty-seven (47) buildings (seventy-five percent (75%)) within the 53rd Street R.P.A. are thirty-five (35) years of age or older.

In addition to establishing that the 53rd Street R.P.A. meets the age requirement, our research has revealed that the following four (4) factors are present to a major extent:

lack of growth in equalized assessed value; - structures below minimum code; excessive land coverage; and inadequate utilities.

Based on the presence of these factors, the R.P.A. meets the requirements of a "conservation area" under the Act. The R.P.A. is not yet blighted, but because of a combination of the factors present the R.P.A. may become a blighted area.

The total equalized assessed value (E.A.V.) of the R.P.A. grew at a rate that was less than that of the balance of the municipality for four (4) of the last five (5) years (1994 - 1999) for which information was available. Overall, the E.A.V. of the R.P.A.

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grew at a rate that was only about two-thirds (%) of the growth rate for the City of Chicago as a whole from 1994 through 1999. This is very strong evidence of the R.P.A.'s decline relative to the rest of the City.

The widespread presence of structures which have been found to be below minimum code standards in the last five (5) years is a further indicator of decline in the area. More than two (2) out of every three (3) blocks (seventy-one percent (71%)) or the portions of the blocks included within the R.P.A. exhibit structures below minimum code standards to a major extent and over half of the buildings (fifty-one percent (51%)) have been cited for code violations in the past five (5) years. While deterioration was not found to be present to a major extent, the prevalence of structures which have been cited for code violations is illustrative of the lack of private investment which can lead to more advanced states of building deterioration.

The excessive land coverage among the buildings also is significant and well-distributed throughout the area: eighteen (18) (twenty-nine percent (29%)) of sixty-three (63) buildings are characterized by this blighting condition. Overall, more than one (1) out of every three (3) blocks (forty-two percent (42%)) exhibited this factor to a major extent. This factor may affect not just individual properties but also have repercussions on surrounding areas. The presence of this factor to such an extent is reflective of many of the area-wide problems which make the R.P.A. prone to further disinvestment and which may eventually result in more widespread deterioration and a continuing lag in the growth of property values. The most common instances of this eligibility factor occurred where there was a lack of reasonably required off-street parking and inadequate provision for loading and service, a condition which is exacerbated by the lack of alleys along much of 53rd Street.

The condition of underground utilities within the R.P.A. is largely inadequate. Inadequate utilities was evaluated on block-by-block basis. Almost all of the blocks (ninety-two percent (92%)) within the R.P.A. are serviced in some manner by antiquated water mains that are scheduled or overdue for replacement. Deterioration (including surface improvements and infrastructure), deleterious land-use or layout, and obsolescence were found to be present to a minor extent within the 53rd Street R.P.A.. While these factors may not be present to the same extent as the other documented factors, they are significant blighting factors on some of the blocks and further suggest that the 53rd Street R.P.A. as a whole is susceptible to continued disinvestment which may result in future deterioration.

Table 1 details the conservation eligibility factors by block within the 53rd Street R.P.A.. Maps 4A through 4E illustrate the distribution of those conservation eligibility factors found to be present to a major extent within the R.P.A. as a whole by highlighting each block where the respective factors were found to be present to

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a meaningful degree. The following sections summarize our field research as it pertains to each of the identified eligibility factors found present within the 53rd Street R.P.A.

1. Lack Of Growth In Equalized Assessed Value.

The total equalized assessed value (E.A.V.) is a measure of the property value in the 53rd Street R.P.A.. Lack of growth in E.A.V. has been found for the R.P.A. in that the rate of growth in property values (as measured by E.A.V.) of the R.P.A. has been less than that of the balance of the City of Chicago for four (4) out of the last five (5) years for which information is available (1994 through 1999). In addition, the rate of growth of the R.P.A. has been less than that of the balance of Hyde Park Township for three (3) out of the last five (5) years for which information is available (1994 through 1999). The lack of growth in equalized assessed value within an area is one of the strongest indicators that the area as a whole is beginning to fall into decline.

**Table 2.
Percent Change In Annual Equalized Assessed Valuation (E1A.V.).**

**Percent
Percent
Percent
Percent
Percent**

Change In Change In Change In Change In Change In

**E.A.V.
E.A.V.
E.A.V.
E.A.V.
E.A.V.**

1994/1995 1995/1996 1996/1997 1997/1998 1998/1999

53rd Street R.P.A.

**5.04
-4.91
7.07
1.69
2.70**

Hyde Park Township (balance of)

City of Chicago (balance of)

**-0.31
0.96
1.01
1.27
8.63
8.40
1.15
1.77
3.57
4.17**

This eligibility factor was considered to be present to a meaningful extent for the entire 53rd Street R.P.A. 49824

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2. Structures Below Minimum Code.

Based on data provided by the City of Chicago's Department of Buildings, forty-two (42) code violation citations have been issued for thirty-two (32) different bundings within the 53rd Street R.P.A. between 1995 and the beginning of 2000. The forty-two (42) code violation citations have implicated fifty-one percent (51%) of the buildings and more than two (2) out of every three (3) blocks (seventy-one percent (71%)) within the 53rd Street R.P.A. between 1995 and the beginning of 2000. This continuing problem underscores the lack of private investment, and in more extreme cases, deterioration of the area's buildings.

This eligibility factor was found to be present to a meardngful extent on seventy-one percent (71%) of the blocks within the 53rd Street R.P.A.

3. Excessive Land Coverage.

Excessive land coverage refers to the over-intensive use of property and the crowding of bundings and accessory facilities onto a site. Eighteen (18) of the sixty-three (63) buildings (twenty-nine percent (29%))

within the 53rd Street R.P.A. exhibited problem conditions which warranted the finding of this factor to be present on more than one (1) out of every three (3) blocks (forty-two percent (42%)) within the R.P.A.. Examples of problem conditions which were found in the proposed R.P.A. and which constitute "excessive land coverage" include a lack of reasonably required off-street parking and inadequate provision for loading and service. Many of the blocks which front 53rd Street do not have alleys, reasonably required off-street parking or adequate provision for loading and service, resulting in the over-intensive use of property and exacerbating the problems of traffic and congestion. Such problems illustrate the adverse impact that excessive land coverage of buildings can have on surrounding areas and not just individual properties. These problems limit the opportunities for continued growth and development and have the overall effect of reducing the competitiveness of area businesses. Additionally, the safety of pedestrians may be threatened in this environment.

This eligibility factor was found to be present to a meaningful extent on forty-two percent (42%) of the blocks within the 53rd Street R.P.A.

4. Inadequate Utilities.

A review of the City's water and sewer atlases found that inadequate underground utilities affect almost all of the blocks within the R.P.A. Twenty-two (22) of the twenty-four (24) (ninety-two percent (92%)) blocks within the R.P.A. are serviced by

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antiquated water mains that are either scheduled for or are overdue for replacement. ' Some replacements are required because the water lines have reached the end of their one hundred (100) year useful service lives and others are needed because the water mains are of insufficient size to comply with modern capacity requirements. It is anticipated that a total of sixteen thousand five hundred fifty (16,550) linear feet of water mains will need to be replaced during the life of the R.P.A.

Due to the age and condition of the water lines, inadequate utilities was found to be present to a meaningful extent on ninety-two percent (92%) of the blocks within the 53rd Street R.P.A.

Minor Supporting Factors.

In addition to the factors that previously have been documented as being present to a major extent within the 53rd Street R.P.A., two (2) additional factors are present to a minor extent. These additional factors demonstrate that the 53rd Street R.P.A. is gradually declining through disinvestment. Left unchecked, these conditions could accelerate the decline of the community, and combined with those factors that have been used to qualify the R.P.A. as a conservation area, could lead to more widespread and intensive commercial and residential disinvestment.

1. Deterioration.

Seventeen (17) of the sixty-three (63) buildings (twenty-seven percent (27%)) within the 53rd Street R.P.A. demonstrate a significant level of deterioration. Catalogued deterioration included the occurrence of major defects in building components, including collapsed or missing gutters and down spouts, cracked, broken or missing windows, evidence of roof leaks, building foundation problems, and cracked exterior wall surfaces. These are structural conditions not readily correctable through normal maintenance. Structural deterioration, coupled with other blighting factors found for buildings in the R.P.A. such as code violations and excessive land coverage, are indicative of an area that is at risk of becoming blighted without direct intervention.

In addition, deterioration was documented on accessory buildings and ancillary property within the 53rd Street R.P.A.. Accessory buildings and ancillary property include garages, surface parking lots and property enclosed with fencing. Deterioration also was documented on 53rd Street R.P.A. infrastructure and included potholed, cracked and uneven pavement of sidewalks and alleys.

Although this factor was not considered to be present to a major extent for the R.P.A. as a whole, the combination of buildings with some amount of deterioration

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and surface improvements with deterioration was found to be present to a meaningful extent on fifty percent (50%) of the blocks within the 53rd Street R.P.A.

2. Deleterious Land-Use Or Layout.

Deleterious land-use and layout was evaluated on a building-by-building and block-by-block basis. This factor may be present regardless of whether or not a structure exists on a parcel and involves the relationship between different building and land uses. Therefore, it was necessary to evaluate deleterious land-use and layout in this manner. While this factor was not found to be present for many individual buildings (six (6) out of sixty-three (63) buildings), it was found to be present to a meaningful extent on seven (7) (twenty-nine percent (29%)) of the twenty-four (24) blocks in the R.P.A., mostly around the intersection of 53rd Street and Lake Park Avenue. For example, the entire block bounded by 53rd Street, Lake Park Avenue, 52nd Street and Harper Avenue was found to exhibit deleterious land-use or layout. This area is highly congested with both pedestrian and vehicular traffic due to the proximity of several different high-use facilities. The configuration of buildings, parking and rights-of-way adversely impact the overall layout of the block.

Combined, the presence of such instances of deleterious land-use and layout limit the development opportunities in key areas of the 53rd Street R.P.A.. The combination of insufficient vehicular access, unsafe pedestrian movement, obsolete platting and incompatible land uses aggravate traffic patterns and pose special hazards for pedestrians who shop or live in the 53rd Street R.P.A., thereby limiting potential redevelopment opportunities.

3. Obsolescence.

Obsolescence, either functional, economic or some combination of both, was documented for nine (9) of the sixty-three (63) buildings (fourteen percent (14%)) within the R.P.A.. One (1) out of every four (4) blocks exhibits some type of obsolescence. A majority of the buildings within the 53rd Street R.P.A. were built at least thirty-five (35) years ago and the floor layouts of some of these buildings were designed for business operations that have become outmoded. Reconfiguration and rehabilitation of such structures would result in substantial cost to any future user and therefore would render the structure functionally obsolete. This functional obsolescence directly inhibits the redevelopment of these properties due to the enormous practical disadvantages faced by potential new users.

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In addition to functional obsolescence, the economic obsolescence of some area properties is demonstrated by the stagnant, or in some cases declining, assessed valuation (other than routine increases attributable to the effect of inflation upon triennial reassessment values), and observations in the field that the property is falling into disuse. Economically obsolete buildings and properties have an adverse effect on nearby properties and detract from the physical, functional and economic vitality of the surrounding community.

This eligibility factor is present to a meaningful extent on twenty-five percent (25%) of the blocks within the R.P.A.

4.

Redevelopment Project And Plan.

Redevelopment Needs Of The 53rd Street R.P.A.

The land-use and existing conditions for the area suggest six (6) major redevelopment needs for the 53rd Street R.P.A.:

capital improvements for public facilities and institutional uses that further the objectives set forth in the Redevelopment Project and Plan;

streetscape and infrastructure improvements;

rehabilitation of existing buildings;

resources for retail, commercial and mixed-use development; .
site preparation, environmental remediation and private sector site assembly; and
job training assistance and day care.

The Redevelopment Plan identifies tools for the City to: support the re-establishment and improvement of the R.P.A. as an active mixed-use district suitable for modern-day users; support other improvements that serve the redevelopment interests of the local community and the City; and assist existing businesses to promote the desirability of their businesses through expansion, improvement, and/or other mechanisms as set forth in the Redevelopment Plan.

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Currently, the 53rd Street R.P.A. is characterized by a lack of reasonably required off-street parking, inadequate provision for loading and service, conflicting land-use patterns and poor vehicular and pedestrian access, signs of structural deterioration, and an overall lack of growth in property values. These area and building conditions are minimizing the value of commercial and mixed-use properties in the area compared to other commercial and residential districts elsewhere in the City, limiting local area employment opportunities and growth, and contributing to the lack of new investment within the R.P.A. The public improvements outlined in the Redevelopment Plan will create an environment conducive to private investment and redevelopment within the 53rd Street R.P.A.. The goals, objectives and strategies discussed below have been developed to address these needs and facilitate the sustainable redevelopment of the 53rd Street R.P.A.. To support specific projects and encourage future investment in the R.P.A., public resources including tax increment financing may be used to facilitate site assembly, site preparation and demolition for future private sector redevelopment activities; modernize R.P.A. infrastructure and create new public facilities; create an identity for the community; and support building rehabilitation. The private sector often acquires and assembles property to create redevelopment opportunities and suitable sites for modern development needs. Property assembly and demolition by the private sector to meet the goals, policies or objectives of this Redevelopment Plan can be assisted using tax increment revenues .'

Ultimately, the goals, objectives and strategies are designed to redevelop the R.P.A. as a vibrant mixed-use commercial district, strengthening adjacent residential districts, and providing new and enhanced commercial activities that complement and service the residential population.

Goals, Objectives And Strategies.

Goals, objectives and strategies designed to address the needs of the community form the overall framework of the Redevelopment Plan for the use of anticipated tax increment funds generated within the 53rd Street R.P.A.

Goal. . The overall goal of the Redevelopment Plan is to reduce or eliminate conditions that qualify the 53rd Street R.P.A. as a conservation area and to provide the direction and mechanisms necessary to re-establish the R.P.A. as an active and vibrant mixed-use commercial district that provides a comprehensive range of commercial and retail uses to the surrounding residential community, while accommodating residential and institutional uses where appropriate. Redevelopment of the R.P.A. will induce redevelopment opportunities in surrounding neighborhoods.

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Rehabilitation and redevelopment of the R.P.A. is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment. The underlying strategy is to use tax increment financing, as well as other funding sources, to reinforce and encourage further private investment.

Objectives. Fourteen (14) objectives support the overall goal of area-wide revitalization of the 53rd Street R.P.A.. These objectives include:

1. provide resources for streetscaping and landscaping to visually link the area's diverse land uses and provide a cohesive and integrated identity for the area which is focused at the intersection of the 53rd Street and Lake Park Avenue corridors;
2. facilitate the provision of adequate on- and off-street parking and improved service access for visitors, employees and customers of the R.P.A.;
3. facilitate the improvement and expansion of existing public facilities as needed, such as schools and parks, and facilitate the development of new public facilities in appropriate locations throughout the R.P.A. as needed and in accordance with the Redevelopment Plan;
4. foster the replacement, repair and/or improvement of the public infrastructure where needed, including sidewalks, streets, curbs, gutters and underground water and sanitary systems to facilitate the rehabilitation of mixed-use, commercial, institutional and public properties within the 53rd Street R.P.A. as well as the construction of new retail, commercial and mixed-use development where appropriate;
5. support the goals and objectives of other overlapping plans, including a vision for the Hyde Park Retail District (City of Chicago Planning Now Study, March, 2000), and coordinate available federal, state and local resources to further the goals of this redevelopment plan;
6. facilitate the preservation and/or rehabilitation of retail, commercial and institutional uses; established institutional facilities, and architecturally or historically significant buildings in the 53rd Street R.P.A.;
7. preserve and enhance the pedestrian orientation of appropriate retail nodes, such as the 53rd Street and Lake Park Avenue intersection, by encouraging pedestrian-friendly uses and design strategies that include, but are not limited to, the following: facilitate safe pedestrian movement across wide arterial streets through improvement of pedestrian amenities;

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widen narrow sidewalks; and create visual interest and safer pedestrian environments with streetscaping, landscaping, lighting and buffering;

8. strengthen the economic well-being of the 53rd Street R.P.A. by providing resources for retail, commercial, mixed-use and institutional development in the 53rd Street R.P.A., as appropriate;
9. create a positive environment for educational, recreational and other institutional facilities where needed and in accordance with the Redevelopment Plan by providing enhancement opportunities for public facilities and institutions, such as schools, parks and transit facilities;
10. encourage the development of mixed-use, commercial, retail and institutional uses, as appropriate, along the major corridors of 53rd Street and Lake Park Avenue, and at the core 53rd Street/Lake Park Avenue intersection;
11. facilitate the remediation of environmental problems to provide additional land for new retail, commercial and mixed-use development and redevelopment, as appropriate;
12. provide opportunities for women-owned, minority-owned and locally owned businesses to share in the job and construction opportunities associated with the redevelopment of the 53rd Street R.P.A.;
13. support job training programs and increase employment opportunities, including welfare to work programs, for individuals working in area businesses; and
14. support the cost of day care operations established by businesses in the R.P.A. to serve employees of low-income families working in the R.P.A.

Strategies. These objectives will be implemented through five (5) specific and integrated strategies. These include:

1. Implement Public Improvements. A series of public improvements throughout the 53rd Street R.P.A. may be designed and implemented to help define and create an identity for the area and subareas, prepare sites for anticipated private investment, and create a more conducive environment for retail, commercial and mixed-use development. Public improvements which are implemented with T.I.F. assistance are intended to complement and not replace existing funding sources for public improvements in the R.P.A.

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These improvements may include new public parking facilities, streetscaping, improved street and sidewalk lighting, resurfacing of alleys, sidewalks and streets, improvement of underground infrastructure, and other public improvements consistent with the Redevelopment Plan. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation or restoration of public improvements on one (1) or more parcels.

2. **Develop Underutilized Sites.** The redevelopment of underutilized sites within the 53rd Street R.P.A. is expected to stimulate both physical and economic private investment and enhance properties within the R.P.A.. Development of underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.

3. **Encourage Private Sector Activities.** Through the creation and support of public-private partnerships or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners and businesses, to undertake rehabilitation and redevelopment projects and other improvements that are consistent with the goals of this Redevelopment Plan and which maintain the integrity of the historically significant buildings in the Hyde Park-Kenwood Historic District.

4. **Facilitate/Support New Development.** To facilitate private market interest, the City may enter into agreements within the limits of the Act to facilitate and support redevelopment projects that complement and comport with the goals, objectives and strategies of this Redevelopment Plan.

The private sector often acquires and assembles property to create redevelopment opportunities and suitable sites for modern development needs. Property assembly by the private sector to meet the goals, policies or objectives of this Redevelopment Plan may be assisted by using tax increment revenues.

5. **Facilitate Site Preparation And Environmental Remediation.** To meet the goals, policies or objectives of this Redevelopment Plan, the City may engage in site preparation or environmental remediation as needed. Furthermore, the City may require written development agreements with developers before assisting in site preparation or environmental remediation of any properties.

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Redevelopment Plan Elements.

There are three (3) general categories of activities that may be supported by tax increment funds under the provisions of the Act:

1. **Development Redevelopment Rehabilitation Activities**, such as:

site preparation, site assembly; interest subsidies; rehabilitation costs; - relocation costs; environmental remediation.

2. **Public Improvements**, such as:

provision or rehabilitation of public improvements, including open space and taxing district facilities; capital costs, as they are incurred as a result of, or in furtherance of, the redevelopment plan.

3. **Administrative Support and Financing**, such as:

job training and related educational programs, including welfare to work;

day care services; - analysis, administration, studies, legal, et cetera; financing costs.

The City may enter into redevelopment agreements or intergovernmental agreements with public or private entities to construct, rehabilitate, renovate or restore private or public improvements on one (1) or several parcels (collectively referred to as "Redevelopment Projects"). A number of key types of projects, activities and improvements were identified for the 53rd Street R.P.A. and are

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described below. These activities are those which could be undertaken as resources become available. As community needs and market conditions change, it is likely that additional projects may be suggested throughout the life of the 53rd Street R.P.A.. To the extent that these additional projects are consistent with the goals of this Redevelopment Plan, and the related costs are eligible under the Act, these projects may be considered for funding.

Public Improvements. Public improvements within the 53rd Street R.P.A. along all arterial and collector streets, and railroad and public right-of-way overpasses may be undertaken to facilitate redevelopment activities, including but not limited to, the following:

streetscaping;

- public parking facilities;

street, alley and sidewalk resurfacing; street lighting; traffic signalization <<http://signalization>>;

- reconstruction of street curbs and gutters; underground water and sanitary systems; and open space.

These public improvements should be designed to enhance the area for private commercial and mixed-use investment. The public improvements also will be designed to give a marketable identity to the R.P.A. as an important commercial and retail destination within the Hyde Park Community.

Commercial, Mixed-Use And Institutional Rehabilitation. Existing commercial and mixed-use properties may be targeted for rehabilitation to improve their market competitiveness, stabilize the commercial segments within the 53rd Street R.P.A., and provide opportunities for commercial and retail job retention and attraction. Similarly, community institutional resources also may be eligible to receive T.I.F. assistance to improve their facilities to better serve the surrounding community.

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Marketing. In conjunction with site assembly activities, the City may market sites to commercial and retail developers, by means of site signage, direct mailings, audio/visual marketing materials and site brochures.

Site Assembly And Preparation. To meet the goals, policies or objectives of this Redevelopment Plan, the City may acquire and assemble property throughout the R.P.A.. Land assemblage by the City may be done by purchase, exchange, donation, lease, eminent domain, or through the Tax Reactivation Program and may be for the purposes of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written development agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

In connection with the City exercising its power to acquire real property, including the exercise of the power of eminent domain, under the Act in implementing the Plan, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Redevelopment Plan.

Relocation assistance may be provided in order to facilitate redevelopment of portions of the 53rd Street R.P.A. and to meet other City objectives. Legal occupants of properties that are acquired by the City may be provided with relocation advisory and /or financial assistance as determined by the City. Site preparation may include demolition of existing improvements and environmental remediation, where appropriate. The private sector often acquires and assembles property to create redevelopment opportunities and suitable sites for modern development needs. Property assembly by the private sector to meet the goals, policies or objectives of this Redevelopment Plan can be funded using tax increment revenues.

These activities are representative of the types of projects contemplated to be undertaken during the life

of the 53rd Street R.P.A.. Market forces are critical to the completion of these projects. Phasing of projects will depend on the interests and resources of both public and private sector parties. Not all projects will necessarily be undertaken. Further, additional projects maybe identified throughout the life of the 53rd Street R.P.A.. To the extent that these projects meet the goals of this Redevelopment Plan and the requirements of the Act and budget outlined in the next section, these projects may be considered for tax increment funding.

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The City requires that developers who receive T.I.F. assistance for the development of market rate housing must set aside twenty percent (20%) of the units to meet affordability criteria established by the City's Department of Housing. Generally, this means that affordable for-sale housing units should be priced at a level that is affordable to persons earning no more than one hundred twenty percent (120%) of the area's median income, and affordable rental units should be affordable to persons earning no more than eighty percent (80%) of the area's median income.

Future Land-Use.

The future land-use of the 53rd Street R.P.A. reflects the objectives of the Redevelopment Plan, which are: to support the improvement of the R.P.A. as an active mixed-use district; and to support other improvements that serve the redevelopment interests of the local community, current business owners and the City. The proposed objectives are compatible with historic land-use patterns and support current development trends in the area. Currently, most of the blocks within the R.P.A. contain more than one (1) use. The mixed-use category allows for a broader range of future development opportunities. \

The proposed land uses are detailed on Map 5 and are as follows:

institutional (including public facilities, hospitals, social services);
parks/open space; and

mixed-use (including combinations of commercial, residential and institutional).

As noted on Map 5, the .uses listed are to be predominant uses for the area indicated and are not exclusive of any other uses.

Housing Impact And Related Matters.

As set forth in the Act, if the redevelopment plan for the redevelopment project area would result in the displacement of residents from ten (10) or more inhabited residential units, or if the redevelopment project area contains seventy-five (75) or more inhabited residential units and a municipality is unable to certify that no displacement will occur, the municipality must prepare a housing impact study and incorporate the study in the redevelopment project plan.

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The project area contains an estimated four hundred thirty (430) occupied residential units, including approximately four hundred twenty-two (422) units in mixed-use buildings and approximately eight (8) units in multifamily buildings. The City does not intend to acquire, or displace by any other means, any of these units. The City of Chicago hereby certifies that no displacement will occur as a result of activities pursuant to this Redevelopment Plan.

5.

Financial Plan.

Eligible Costs.

The Act outlines several categories of expenditures that can be funded using tax increment revenues. These expenditures, referred to as eligible redevelopment project costs, include all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this plan pursuant to the Act. The City proposes to realize its goals and objectives of redevelopment through public finance techniques, including, but not limited to, tax increment financing, and by .undertaking certain activities and incurring certain costs. Such

costs may include, without limitation, the following:

1. costs of studies, surveys, development of plans and specifications, implementation and administration of the Redevelopment Plan, including but not limited to, staff and professional service costs for architectural, engineering, development advisors, development managers, legal, marketing sites within the area to prospective businesses, developers, and investors, financial, planning or other services (excluding lobbying expenses), related hard and soft costs,, and other related expenses; provided, however, that no such charges may be based on a percentage of the tax increment collected and that annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan;
2. property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots

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and other concrete or asphalt barriers, and the clearing and grading of land;

3. costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project if the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;

4. costs of the construction of public works or improvements subject to the limitations in Section 11-74.4-3 (q) (4) of the Act;

5. costs of job training and retraining projects including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area;

6. financing costs, including but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding thirty-six (36) months thereafter and including reasonable reserves related thereto;

7. all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the municipality by written agreement accepts and approves such costs;

8. an elementary, secondary or unit school district's increased costs attributable to assisted housing units located within the R.P.A. will be reimbursed as provided in the Act;

9. relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law or by Section 74.4-3(n)(7) of the Act;

10. payment in lieu of taxes;

11. costs of job training, retraining, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by

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one (1) or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and taxing district(s), which agreement describes the program to be undertaken, including out not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and

type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by the community college district of costs pursuant to Sections 3-37,3-38,3-40 and 3-40.1 of the Public and Community College Act as cited in the Act and by school districts of cost pursuant to Section 10-22.20a and 10-23.3a of the School Code as cited in the Act;

12. interest costs incurred by a redeveloper or other users related to the construction, renovation or rehabilitation of a redevelopment project provided that:
- a. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
 - b. such payments in any one (1) year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper/user with regard to the redevelopment project during that year,
 - c. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph twelve (12) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
 - d. the total of such interest payments paid pursuant to the Act may not exceed thirty percent (30%) of the total of (i) cost paid or incurred by the redeveloper/user for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act;
 - e. the percentage increases from thirty percent (30%) to seventy-five percent (75%) for the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income

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households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act; and

f. up to fifty (50%) of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very-low income households, only the low- and very low-income units shall be eligible for this benefit under the Act.

. ' 13. the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed eighty percent (80%) of the City, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development; and

14. unless explicitly stated in the Act and as provided for in relation to low-and very-low income housing units, the cost of construction of new privately owned buildings shall not be an eligible redevelopment project cost.

If a special service area has been established pursuant to the Special Service Area Tax Act, 35 ILCS 235/0.01, et seq. then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act may be used within the redevelopment project area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

Estimated Redevelopment Project Costs,

The estimated eligible costs of this Redevelopment Plan are shown in Table 3. The total eligible cost provides an upper limit on expenditures that are to be funded using tax increment revenues, exclusive of capitalized interest, issuance costs, interest and other financing costs. Within this limit, adjustments may be made in line items without amendment to this Redevelopment Plan. Additional funding in the form of state and federal grants, private developers' contributions and other

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outside sources may be pursued by the City as a means of financing improvements and facilities which are of benefit to the general community.

Table 3. Estimated T.I.F. Eligible Costs.

Estimated Project

Project/Improvements Costs*

Public Works or Improvements ^m \$11,900,000

Rehabilitation Costs 3,000,000 Property Assembly: mcluding site preparation and environmental remediation 500,000

Professional Services/Administration 500,000

Relocation (Commercial) 350,000

Job Training 1,500,000

Interest Costs 1,500,000

DayCare 750,000

TOTAL REDEVELOPMENT COSTS ²: \$20,000,000

* Exclusive of capitalized interest, issuance costs and other financing costs.

(1) This category also, may include the payment or reimbursement of capital costs of taxing districts including schools resulting from the redevelopment project necessarily incurred in the furtherance of the objectives of the Redevelopment Project Area Plan and Project to the extent the City by written agreement accepts and approves such costs.

(2) All costs are in 2000 dollars and may be increased by the rate of inflation reflected in the Consumer Price Index (C.P.I.) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-1N-W1 CMSA, published by the United States Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Project may include an amount of proceed sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

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Adjustments to the estimated line item costs in Table 3 are expected and may be made by the City without amendment to the Plan. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs as a result of changed redevelopment costs and needs.

Phasing And Scheduling Of The Redevelopment.

Each private project within the 53rd Street R.P.A. shall be governed by the terms of a written redevelopment agreement entered into by a designated developer and the City and approved by the City Council. Where tax increment funds are used to pay eligible redevelopment project costs, to the extent funds are available for such purposes, expenditures by the City shall be coordinated to coincide on a reasonable basis with the actual redevelopment expenditures of the developer's). The redevelopment plan shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31 of the year in which the payment to the City treasurer provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third (23rd) calendar year following the year in which the ordinance approving this redevelopment project area is adopted (by December 31, 2024, if the ordinances estabHshing the R.P.A. are adopted during 2000).

Sources Of Funds To Pay Costs.

Funds necessary to pay for redevelopment project costs and/or municipal obligations which may be issued or incurred to pay for such costs are to be derived principally from tax increment revenues and/or proceeds from municipal obligations which have as a repayment source tax increment revenue. To secure the issuance of these obligations and the developer's performance of redevelopment agreement

obligations, the City may require the utilization of guarantees, deposits, reserves, and/or other forms of security made available by private sector developers. The City may incur Redevelopment Project Costs which are paid from the funds of the City other than incremental taxes, and the City then may be reimbursed for such costs from incremental taxes.

The tax increment revenue which will be used to fund tax increment obligations and eligible redevelopment project costs shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase of the current equalized assessed valuation of each taxable lot, block, tract or parcel

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of real property in the redevelopment project area over and above the certified initial equalized assessed value of each such property. Without the use of such incremental revenues, the redevelopment project area is not likely to redevelop.

Other sources of funds which may be used to pay for development costs and associated obligations issued or incurred include land disposition proceeds, state and federal grants, investment income, private investor and financial institution funds, and other sources of funds and revenues as the municipality and developer from time to time may deem appropriate.

The 53rd Street R.P.A. may be or become contiguous to, or be separated only by a public right-of-way from, other redevelopment areas created under the Act. The City may utilize net incremental property tax revenues received from the 53rd Street R.P.A. to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the 53rd Street R.P.A. made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the 53rd Street R.P.A., shall not at any time exceed the total Redevelopment Project Costs described in Table 3 of this Redevelopment Plan.

The 53rd Street R.P.A. may be or become contiguous to, or separated only by a public right-of-way from, other redevelopment project areas created under the Illinois Industrial Jobs Recovery Law, (65 ILCS 5/11-74.61-1, et seq.). If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent with those of the 53rd Street R.P.A., the City may determine that it is the best interests of the City and in furtherance of the purposes of the Plan that net revenues from the 53rd Street R.P.A. be made available to support any such redevelopment project areas, and vice versa. The City, therefore, proposes to utilize net incremental revenues received from the 53rd Street R.P.A. to pay eligible redevelopment projects costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas, and vice versa. Such revenues may be transferred or loaned between the 53rd Street R.P.A. and such areas. The amount of revenue from the 53rd Street R.P.A. so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the 53rd Street R.P.A. or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Table 3 of this Redevelopment Plan.

If necessary, the redevelopment plans for other contiguous redevelopment project areas that may be or already have been created under the Act may be drafted or amended as applicable to add appropriate and parallel language to allow for sharing

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of revenues between such districts.

Issuance Of Obligations.

To finance project costs, the City may issue bonds or obligations secured by the anticipated tax increment revenue generated within the 53rd Street R.P.A., or such other bonds or obligations as the City may deem as appropriate. The City may require the utilization of guarantees, deposits or other forms of security made

available by private sector developers to secure such obligations. In addition, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within the time frame described under "Phasing and Scheduling of the Redevelopment" above. Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One (1) or more of a series of obligations may be sold at one (1) or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City shall not exceed the amounts available from tax increment revenues, or other sources of funds, if any, as may be provided by ordinance. Obligations may be of parity or senior/junior lien nature. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund or optional redemptions.

In addition to paying redevelopment project costs, tax increment revenues may be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and redevelopment project costs. To the extent that real property tax increment is not required for such purposes, revenues shall be declared surplus and become available for distribution annually to area taxing districts in the manner provided by the Act.

Most Recent Equalized Assessed "Valuation Of Properties In The Redevelopment Project Area.

The purpose of identifying the most recent equalized assessed valuation ("E.A.V.") of the 53rd Street R.P.A. is to provide an estimate of the initial E.A.V. which the Cook County Clerk will certify for the purpose of annually calculating the incremental E.A.V. and incremental property taxes of the 53rd Street R.P.A.. The 1999 E.A.V. of all taxable parcels in the 53rd Street R.P.A. is approximately Twenty-three Million One Hundred Ninety Thousand Seven Hundred Seventy-seven Dollars (\$23,190,777). This total E.A.V. amount by P.I.N, is summarized in Appendix 2. The E.A.V. is subject to verification by the Cook County Clerk after verification, the

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final figure shall be certified by the Cook County Clerk, and shall become the Certified Initial E.A.V. from which all incremental property taxes in the Redevelopment Project Area will be calculated by Cook County.

Anticipated Equalized Assessed Valuation.

By the tax year 2023 (collection year 2024), the E.A.V. for the 53rd Street R.P.A. will be approximately Fifty Million Dollars (\$50,000,000). This estimate is based on several key assumptions, including: 1) an inflation factor of two and five-tenths percent (2.5%) per year on the E.A.V. of all properties within the 53rd Street R.P.A., with its cumulative impact occurring in each triennial reassessment year, 2) an equalization factor of 2.2505; and 3) a tax rate of 8.536% for the duration of the 53rd Street R.P.A.

6.

Required Findings And Tests.

Lack Of Growth And Private Investment.

The City is required to evaluate whether or not the R.P.A. has been subject to growth and private investment and must substantiate a finding of lack of such investment prior to establishing a tax increment financing district.

While some new investment has occurred in the 53rd Street R.P.A. over the past five (5) years, this investment has been minimal in scope and in areas isolated within the R.P.A.. Taken as a whole, the R.P.A. has not been subject to growth and development through investment by private enterprise. The 53rd Street R.P.A. is located entirely within Hyde Park Township. From 1994 through 1999 the growth of equalized assessed valuation ("E.A.V.", which is the value of property from which property taxes are based) in the R.P.A. has lagged behind that of both the City of Chicago and Hyde Park Township. The compound annual growth rate of E.A.V. for the 53rd Street R.P.A. was only two and twenty-four

hundredths percent (2.24%) between 1994 and 1999. In comparison, the compound annual growth rate of E.A.V. was two and seventy-seven hundredths percent (2.77%) for Hyde Park Township, and three and twenty-eight hundredths percent (3.28%) for the City of Chicago over the same period of time. As another method to examine the scope of new investment in the 53rd Street R.P.A., S. B. Friedman & Company examined building permit data provided by the

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City of Chicago Department of Buildings. Specifically, we examined building permit data for the period from 1995 to early 2000 which revealed that fifty-five (55) permits were issued within the 53rd Street R.P.A. totaling Three Million Six Hundred Thousand Dollars (\$3,600,000). Only three (3) were for new construction. The remaining fifty-two (52) permits were for rehabilitation, mechanical upgrades, minor repairs or code compliance.

Based on our review of the date the fifty-five (55) permits, two (2) permits (totaling approximately One Million Dollars (\$1,000,000)) were initiated for public schools. The remaining fifty-three (53) permits (Two Million Six Hundred Thousand Dollars (\$2,600,000)) were privately initiated, with only Twenty-nine Thousand Five Hundred Dollars (\$29,500) or one percent (1%) of the total private investment issued for new construction. On average over our five (5) year study period, privately initiated permits amounted to approximately Five Hundred Twenty Thousand Dollars (\$520,000) per year of total investment, or less than one percent (1%) of the total Assessor's market value of all property within the 53rd Street R.P.A.. At this rate, it would take the private market a substantial amount of time to replace the current Assessor's market value of the R.P.A.

Furthermore, a majority of the private investment has been limited to specific locations within the R.P.A. and has not been evenly distributed throughout the area. Nine (9) permits totalling One Million Sixty-nine Thousand Dollars (\$1,069,000), or nearly forty-one percent (41%) of the total private investment was issued to only one (1) building. The remaining forty-four (44) privately initiated permits, totaling One Million Five Hundred Thousand Dollars (\$1,500,000) were issued for general repairs, alterations to existing uses and additions.

Finding: The Redevelopment Project Area (53rd Street R.P.A.) on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan.

But For...

The City is required to find that, but for the designation of the T.I.F. district and the use of tax increment financing, it is unlikely, that significant investment will occur in the 53rd Street R.P.A.

Without the support of public resources, the redevelopment objectives of the 53rd Street R.P.A. would most likely not be realized. The scope of area-wide improvements and development assistance resources needed to rehabilitate the 53rd Street R.P.A. as a mixed-use commercial district is expensive, and the private market, on its own, is not likely to absorb all of these costs. Public resources to

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assist with site assembly and preparation, public infrastructure improvements, and private property rehabilitation are needed to leverage private investment and facilitate area-wide redevelopment consistent with the Redevelopment Plan. T.I.F. funds can be used to fund land assembly, site preparation, infrastructure improvements and building rehabilitation. Accordingly but for creation of the 53rd Street R.P.A., these projects, which would contribute substantially to area-wide redevelopment, are unlikely to occur without T.I.F. designation for the 53rd Street R.P.A.

Finding: But for the adoption of this Redevelopment Plan, critical resources will be lacking that would

otherwise support the redevelopment of the 53rd Street R.P.A. and the 53rd Street R.P.A. would not reasonably be anticipated to be developed.

Conformance To The Plans Of The City.

The 53rd Street R.P.A. and Redevelopment Plan must conform to the comprehensive plan for the City, conform to the strategic economic development plans, or include land uses that have been approved by the Chicago Plan Commission.

The proposed land uses described in this Redevelopment Plan will be approved by the Chicago Plan Commission prior to its adoption by the City Council.

Dates Of(Completion.

The dates of completion of the project and retirement of obligations are described in "Phasing and Scheduling of the Redevelopment*" in Section 5 above.

Financial Impact Of The Redevelopment Project.

As explained above, without the adoption of this Redevelopment Plan and tax increment financing, the 53rd Street R.P.A. is not expected to be redeveloped by private enterprise. Additionally, there is a genuine threat that blighting conditions will continue to exist and spread, and that the entire area will become a less attractive place to maintain and improve existing buildings and sites. The lagging growth of property values also may lead to a decline of property values in surrounding areas and could lead to a reduction of real estate tax revenue to all taxing districts.

This document describes the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can

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reasonably occur. The redevelopment program will be staged gradually over the twenty-three (23) year life of the 53rd Street R.P.A.. If a redevelopment project is successful, various new projects will be undertaken that will assist in alleviating blighting conditions, creating new jobs, and promoting rehabilitation and development in the 53rd Street R.P.A. /

This Redevelopment Plan is expected to have short and long-term financial impacts on the affected taxing districts. During the period when tax increment financing is utilized, real estate tax increment revenues from the increases in E.A.V. over and above the certified initial E.A.V. (established at the time of adoption of this document) may be used to pay eligible redevelopment project costs for the 53rd Street R.P.A.. At the time when the 53rd Street R.P.A. is no longer in place under the Act, the real estate tax revenues resulting from the redevelopment of the 53rd Street R.P.A. will be distributed to all taxing districts levying taxes against property located in the 53rd Street R.P.A.. These revenues will then be available for use by the affected taxing districts.

(Demand On Taxing District Services And Program To Address Financial And Service Impact. The following major taxing districts presently levy taxes on properties located within the 53rd Street R.P.A. and maintain the listed facilities within the boundaries of the R.P.A. or within close proximity (approximately three (3) blocks) of the R.P.A. boundaries:

City of Chicago.

- Blackstone Library (4904 South Lake Park Avenue)

~ Chicago Fire Department - Engine Company Number 60 (1150 East 55th Street)

Chicago Board of Education.

Kenwood Academy High School (4959 South Blackstone Avenue)

- Murray Academy (5335 South Kenwood Avenue)

~ Wirth Experimental School (4959 South Blackstone Avenue)

- Shoemith School (1330 East 50th Street)

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- Komunski Academy (936 East 54th Street)

- Harte School (1556 East 56th Street)

Chicago School Finance Authority. Chicago Park District.

- Elm Playlot (5215 South Woodlawn Avenue)

- Spruce Playlot (5337 South Blackstone Avenue)

- Nichols Park (1300 East 55th Street)

- Kenwood Park (1330 East 50* Street)

- Butternut Playlot (5324 South Woodlawn Avenue)

- Burnham Park (1700 East 53rd Street)

Metropolitan Water Reclamation District of Greater Chicago. County of Cook.

Cook County Forest Preserve District.

Map 6 illustrates the locations of community facilities operated by the above listed taxing districts within close proximity to the 53rd Street R.P.A.

Redevelopment activity may cause increased demand for services from one (1) or more of the above listed taxing districts. The Act requires an assessment of any financial impact of the Redevelopment Project Area on, or any increased demand for service from, any taxing district affected by the Redevelopment Plan and description of any program to address such financial impacts or increased demand. The City intends to monitor development in the areas and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

The anticipated nature of increased demands for services on these taxing districts, and the proposed activities to address increased demand are described below.

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City Of Chicago. The City is responsible for a wide range of municipal services, including: police and fire protection; capital improvements and maintenance; water supply and distribution; sanitation service; and building, housing and zoning codes.

Replacement of vacant and under-utilized buildings and sites with active and more intensive uses may result in additional demands on services and facilities provided by the districts- Additional costs to the City for police, fire, library circulation, and recycling and sanitation services arising from residential and non-residential development may occur. However, it is expected that any increase in demand for the City services and programs associated with the 53rd Street R.P.A. can be handled adequately by City police, fire protection, library, sanitary collection and recycling services and programs maintained and operated by the City. In addition to several public service facilities operated by the City within the 53rd Street R.P.A., there also are public facilities in close proximity to the area. Therefore, no special programs are proposed for the City. In addition, to the extent that the revitalization efforts result in reduced crime and physical improvements which reduce the risk of fire, the Redevelopment Plan actually may result in some cost savings.

Chicago Board Of Education And Associated Agencies. General responsibilities of the Board of Education include the provision, maintenance and operation of educational facilities and the provision of education services for kindergarten through twelfth (12th) grade.

It is likely that some families who purchase new housing or rent new apartments in the 53rd Street R.P.A.

will send their children to public schools, putting increased demand on area school districts. However, the 53rd Street R.P.A. is predominantly commercial or mixed-use residential/ commercial and will most likely contain limited new residential development in the future. In addition, many of the new homeowners or renters may come from the immediate neighborhood and some of these families may send their children to private schools, and senior residential development will add few, if any, additional children. Existing absorption capacity was verified through enrollment and capacity data provided by the office of Planning & Educational Programming at the Chicago Public Schools (C.P.S.). In accordance with the practice of the C.P.S., we used design capacity to calculate the utilization rates for high schools and program capacity to calculate the utilization rates for elementary schools. Program capacity is eighty percent (80%) of design capacity. The enrollment and capacity data provided by the C.P.S. reveal that the elementary schools that serve the area immediately surrounding the 53rd Street R.P.A. collectively operate at approximately ninety percent (90%) of full capacity and the high schools at approximately one hundred percent (100%) of full capacity (using design capacity for high schools and program capacity for elementary schools).

Given the limited scope of new residential construction which would be likely to occur within the 53rd Street R.P.A., it is unlikely that the existing capacity will be exceeded as a result of T.I.F. supported activities. However, the City intends to

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monitor development in the 53rd Street R.P.A. and, with the cooperation of the Board of Education, will ensure that any increased demands for the services and capital improvements provided by the Board of Education are addressed in connection with each new residential project.

Chicago Park District. The Park District is responsible for the provision, maintenance and operation of park and recreational facilities through the City and for the provision of recreation programs.

The replacement of vacant and undemolished properties with residential and nonresidential development may result in an increase in population within the 53rd Street R.P.A., which may result in additional demand for services from the district. It is expected that the households that may be added to the 53rd Street R.P.A. may generate additional demand for recreational services and programs and may create the need for additional open spaces and recreational facilities operated by the Chicago Park District. The City intends to monitor development in the 53rd Street R.P.A. and, with the cooperation of the Chicago Park District, will attempt to ensure that any increased demands for the services and capital improvements that may be provided by the Chicago Park District are addressed in connection with any particular residential development. \

Metropolitan Water Reclamation District. This district provides the main trunk lines for the collection of waste water from cities, villages and towns, and for the treatment and disposal thereof.

It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the 53rd Street R.P.A. can be handled adequately by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District of Greater Chicago. Therefore, no special program is proposed for the Metropolitan Water Reclamation District of Greater Chicago.

County Of Cook. The County has principal responsibility for the protection of persons and property, the provision of public, health services and the maintenance of County highways.

It is expected that any increase in demand for Cook County Services can be handled adequately by existing services and programs maintained and operated by the County. Therefore, at this time, no special programs are proposed for these taxing districts. Should demand increase, the City will work with the affected taxing districts to determine what, if any, program is necessary to provide adequate services.

Cook County Forest Preserve District. The Forest Preserve District is responsible for acquisition, restoration and management of lands for the purpose

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REPORTS OF COMMITTEES

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of protecting and preserving open space in the City and County for the education, pleasure and recreation of the public. It is expected that any increase in demand for Forest Preserve services can be handled adequately by existing facilities and programs maintained and operated by the District. No special programs are proposed for the Forest Preserve.

Given the preliminary nature of the Redevelopment Plan, specific fiscal impacts on the taxing districts and increases in demand for services provided by those districts cannot accurately be assessed within the scope of this plan.

7

Provisions For Amending Action Plan.

This Redevelopment Plan and Project document may be amended pursuant to the provision of the Act.

8-

Commitment To Fair Employment Practices . And Affirmative Action Plan.

The City is committed to and will require developers to follow and affirmatively implement the following principles in redevelopment agreements with respect to this Redevelopment Plan. However, the City may implement programs aimed at assisting small businesses which may not be subject to these requirements.

A. The assurance of equal opportunity in all personnel and employment actions with respect to this Redevelopment Plan and project, including, but not limited to, hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, terminations, et cetera without regard to race, color, religion, sex, age, handicapped status, national origin, sexual preference, creed or ancestry.

B. Meeting City standards for participation of Minority Business Enterprise and Women Business Enterprise businesses as required in redevelopment agreements.

C. The commitment to affirmative action and non-discrimination will ensure that all members of the protected groups are sought out to compete for all job openings

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and promotional opportunities.

D. Meeting City standards for the hiring of City residents to work on redevelopment project construction projects.

[Appendix 1 - Boundary and Legal Description referred to in this 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan and Project constitutes Exhibit "B" to the ordinance and is printed on pages 49868 through 49873 of this Journal.]

[Map 2 - Boundary Map referred to in this 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan and Project constitutes Exhibit "E" to the ordinance and is printed on page 49880 of this Journal.]

[Table 1 - Block-by-Block Distribution of Eligibility Factors referred to in this 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan and Project printed on page 49858 of this. Journal.]

[Appendix 2 - Summary of E.A.V. referred to in this 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan and Project printed on pages 49853 through 49857

of this Journal.] (

[Map 1 Community Context . Map; Map 3 - Existing Land-Use Map; Maps 4A, 4B, 4C, 4D and 4E ~ Conservation Factors; Map 5 - Proposed Land-Use Map; and Map 6 - Community Facilities Map referred to in this 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan and Project v printed on pages 49859 through 49867 of this Journal.]

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Equalized Assessed Value 1999 (EAV)
347,936 135,266 67482 67^29 54,746 684-31
58,499 6,178
180.609.
671,401
258,841
185,833
112,892
116.868
122,772

1/10/2001

REPORTS OF COMMITTEES

49857

*Appendix 2-Summary Of E.A.V. By Permanent Index Number (P.I.N.) (To 53rd Street
Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment
Plan And Project)*

(Page 5 of 5)

Assessed Value 1999 (AV)

Equalized Assessed Value 1999 (EAV)

Total

\$23490,777.

49858

JOURNAL-CriYCOUNCIL-CHieAGO 1/10/2001

District Eligibility Itudy, S^J^^

1/10/2001

REPORTS OF COMMITTEES

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**Map 1 - Community Context Map. (To 53rd Street Redevelopment Project Area Tax Increment
Financing District Eligibility Study, Redevelopment Plan And Project)**

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Map 3 - Existing Land-Use Map. (To 53rd Street Redevelopment Project Area Tax Increment Financing
District Eligibility Study, Redevelopment Plan And Project)

CITY OF CHICAGO

PROPOSED

53rd Street!

TAX INCREMENT] • FINANCE DISTRICT

MAP 3

EXISTING LAND USE MAP

LEGEND

■ TIF ■ OUMDAJTT

MIXED USE

I mrmvnoMAv I ruauc viae

PAIKS/OPEM SPACE

VACANT

August 2000
1/10/2001

REPORTS OF COMMITTEES
49861

Map 4A - Conservation Factor Map - Age. , (To 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan And Project)

CITY OF CHICAGO

PROPOSED

53rd Street

TAX INCREMENT FINANCE DISTRICT

MAP 4A
CONSERVATION FACTOR MAP .

LEGEND
BOUNDARY
(*Q7) HOCK NUMIot 2=T **
sar 33T <rw

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Map 4B - Conservation Factor Map - Structures Below Minimum Code. (To 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan And Project)

CITY OF CHICAGO

PROPOSED

53rd Street

TAX
increment!
FINANCE DISTRICT

1/10/2001

REPORTS OF COMMITTEES
49863

Map 4C - Conservation Factor Map - Inadequate Utilities. (To 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan And Project)

CITY

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PROPOSED

53rd Street

TAX INCREMENT FINANCE DISTRICT

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Map 4D-Conservation Factor Map - Excessive Land Coverage. (To 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan And Project)

CITY

OF

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PROPOSED

53rd Streetl

TAX INCREMENT FINANCE DISTRICT

MAP 4D

CONSERVATION FACTOR MAP

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Seal*

rui

August 2000

1/10/2001

REPORTS OF COMMITTEES

49865

Map 4E - Conservation Factor Map-Lack Of Growth In EJLV. (To 53rd Street Redevelopment Project Area Tax Increment Fmancing District Eligibility Study, Redevelopment Plan And Project)

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JOURNAL-CITY COUNCIL-CHICAGO 1/10/2001

Map 5 - Proposed Land-Use Map. (To 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan And Project)

CITY

OF

HICAGO

PROPOSED

53rd Street

TAX INCREMENT FINANCE DISTRICT

1/10/2001

REPORTS OF COMMITTEES

49867

Map 6 - Community Facilities Map. (To 53rd Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan And Project)

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E.53WP ST.

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PROPOSED

53rd Street

TAX INCREMENT FINANCE DISTRICT

EXHIBIT E CONSTRUCTION CONTRACT [To Be Attached.]

EXHIBIT F ESCROW AGREEMENT [To Be Attached.]

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

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

[To be completed by Developer's counsel, subject to City approval.]

EXHIBIT H-1 PRELIMINARY PROJECT BUDGET [See Attached]^

Harper Court

Exhibit H-1

Chicago, Illinois

4/7/2011

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING

Land Costs

Purchase Price Alley Vacations (Paid to the City of Chicago) Purchase Price (Paid to the University of Chicago) Tenant Relocation (Calypso Cafe) Lake Park Associates Land Acquisition

Appraisal Fee

Miscellaneous Acquisition Costs Legal

Feasibility Study/Condition Report Pre-Construction Interest Environmental Remediation (Special Waste) Utility Relocation

Real Estate Taxes (During Construction)

300,000 1,000,000 320,000 10,618,561 15,000

200,000

841,320 625,000 250,000

Total Land Costs

14,169,881

Hard Costs

Infrastructure

Demolition (Carried as an Alternate)

Parking Structure

Core/Shell

Retail

Fitness

Office

Common Area (Unallocated) Construction Manager/Owners Representative Permits/Fees ^ Builders Risk Insurance Construction Testing & Inspections Furniture, Fixtures, & Equipment Performance and

Payment Bond (Hybrid Approach) LEED Certification Costs (Hard Costs) Parking Controls Project Security Signage & Graphics

General Liability, Pollution Site Specific Liability, Workers Comp. Miscellaneous Exclusions . Hard Cost Alternates (See Construction Pricing Worksheet) Hard Cost Contingency_

2,967,524

18,021,191

5,243,004 6,348,426 23,-137,423 572,858 789,910 789,122 75,000 690,000

150,000 75,000

186,500 70,500 836,125 2,997,629

Total Hard Costs

62,950,214

Tenant Costs

Tenant Improvements

Retail

Fitness

Office Build-Out Finish

Retail

Fitness

Office Broker Fees

Retail

Fitness ,

Office

Miscellaneous Tenant Costs

Tenant Cost Contingency (Excludes Office and Fitness)

1,915,250 1,860,000 6,750,000

1,989,738

1,419,340

994,165 379,750

195,249

Total Tenant Costs

15,503,492

Soft Costs

Construction Period Interest

A-Note Financing Costs Title Insurance ' Legal Work Lender Administration Cash Flow Short Fall (Year 1) Architecture & Engineering LEED Certification Costs (Soft Costs) Environmental

Consultant/Reports Geotech./Soils Consultant/Reports Miscellaneous Consultants Surveying (Pre-Construction/Construction) Miscellaneous Conditions Financing Fees Marketing/Promotion

Organizational Filing Fees Development Fee

2)820,832 2,720,000 30,400 800,000 36,000 468,760 2,901,788 129,722 " 49,608 24,000 1,460,250 50,000 300,000 1,941,500 40,000

4,112,892

Total Soft Costs

Total Development Cost

17,885,751 110,509,338

PRELIMINARY BUDGET -

SUBJECT TO UPDATES BEFORE CLOSING

EXHIBIT H-2 PRELIMINARY MBE/WBE BUDGET [See Attached]

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Harper Court

Exhibit H-2

Chicago, Illinois

Hard Costs

4/7/2011

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING

Budget

Exclusions

Subtotal

Infrastructure Demolition Parking Structure Core/Shell

Retail

Fitness

Office

Common Areas Hard Cost Contingency

2,967,524 283,639 18,021,191

5,243,004 6,348,426 23,137,423 572,858 2,814,521

350,000

149,600

2,205,689 38,767 908,634

2,617,524 283,639 17,871,591

3,037,315 6,309,659 22,228,789 572,858 2,814,521

Total Hard Costs

Tenant Costs

Soft Costs

Total Development Cost

17,885,751 110,509,338

PRELIMINARY BUDGET -

SUBJECT TO UPDATES BEFORE CLOSING

EXHIBIT H-2 PRELIMINARY MBE/WBE BUDGET [See Attached]

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Harper Court

Exhibit H-2

Chicago, Illinois

Hard Costs

4/7/2011

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING

Budget

Exclusions

Subtotal

Infrastructure Demolition Parking Structure Core/Shell

Retail

Fitness

Office

Common Areas Hard Cost Contingency

2,967,524 283,639 18,021,191

5,243,004 6,348,426 23,137,423 572,858 2,814,521

350,000

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2,205,689 38,767 908,634

2,617,524 283,639 17,871,591

3,037,315 6,309,659 22,228,789 572,858 2,814,521

Total Hard Costs

Tenant Costs

Soft Costs

Total Development Cost

17,885,751 110,509,338

PRELIMINARY BUDGET -

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EXHIBIT H-2 PRELIMINARY MBE/WBE BUDGET [See Attached]

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Harper Court

Exhibit H-2

Chicago, Illinois

Hard Costs

4/7/2011

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING

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Exclusions

Subtotal

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Fitness

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149,600

2,205,689 38,767 908,634

2,617,524 283,639 17,871,591

3,037,315 6,309,659 22,228,789 572,858 2,814,521

Total Hard Costs

Tenant Costs

Soft Costs

Total Development Cost

17,885,751 110,509,338

PRELIMINARY BUDGET -

SUBJECT TO UPDATES BEFORE CLOSING

EXHIBIT H-2 PRELIMINARY MBE/WBE BUDGET [See Attached]

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Harper Court

Exhibit H-2

Chicago, Illinois

Hard Costs

4/7/2011

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING

Budget

Exclusions

Subtotal

Infrastructure Demolition Parking Structure Core/Shell

Retail

Fitness

Office

Common Areas Hard Cost Contingency

2,967,524 283,639 18,021,191

5,243,004 6,348,426 23,137,423 572,858 2,814,521

350,000

149,600

2,205,689 38,767 908,634

2,617,524 283,639 17,871,591

3,037,315 6,309,659 22,228,789 572,858 2,814,521

Total Hard Costs

Tenant Costs

Soft Costs

Total Development Cost

17,885,751 110,509,338

PRELIMINARY BUDGET -

SUBJECT TO UPDATES BEFORE CLOSING

EXHIBIT H-2 PRELIMINARY MBE/WBE BUDGET [See Attached]

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Harper Court

Exhibit H-2

Chicago, Illinois

Hard Costs

4/7/2011

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING

Budget

Exclusions

Subtotal

Infrastructure Demolition Parking Structure Core/Shell

Retail

Fitness

Office

Common Areas Hard Cost Contingency

2,967,524 283,639 18,021,191

5,243,004 6,348,426 23,137,423 572,858 2,814,521

350,000

149,600

2,205,689 38,767 908,634

2,617,524 283,639 17,871,591

3,037,315 6,309,659 22,228,789 572,858 2,814,521

Total Hard Costs

Tenant Costs

Soft Costs

Total Development Cost

17,885,751 110,509,338

PRELIMINARY BUDGET -

SUBJECT TO UPDATES BEFORE CLOSING

EXHIBIT H-2 PRELIMINARY MBE/WBE BUDGET [See Attached]

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Harper Court

Exhibit H-2

Chicago, Illinois

Hard Costs

4/7/2011

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING

Budget

Exclusions

Subtotal

Infrastructure Demolition Parking Structure Core/Shell

Retail

Fitness

Office

Common Areas Hard Cost Contingency

2,967,524 283,639 18,021,191

5,243,004 6,348,426 23,137,423 572,858 2,814,521

350,000

149,600

2,205,689 38,767 908,634

2,617,524 283,639 17,871,591

3,037,315 6,309,659 22,228,789 572,858 2,814,521

Total Hard Costs

Tenant Costs

Soft Costs

Total Development Cost

17,885,751 110,509,338

PRELIMINARY BUDGET -

SUBJECT TO UPDATES BEFORE CLOSING

EXHIBIT H-2 PRELIMINARY MBE/WBE BUDGET [See Attached]

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Harper Court

Exhibit H-2

Chicago, Illinois

Hard Costs

4/7/2011

PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING

Budget

Exclusions

Subtotal

Infrastructure Demolition Parking Structure Core/Shell

Retail

Fitness

Office

Common Areas Hard Cost Contingency

2,967,524 283,639 18,021,191

5,243,004 6,348,426 23,137,423 572,858 2,814,521

350,000

149,600

2,205,689 38,767 908,634

Tenant Costs
59,388,587
3,652,690
55,735,898
Build-Out Finish Retail Workletter Fit Out Office Workletter Fit Out
1,989,738 \$ 1,419,340 \$
1,419,340
1,989,738
Total Tenant Costs Soft Costs
3,409,078
1,419,340 \$
1,989,738
Legal Work
Architecture & Engineering Environmental Consultant/Reports Geotech./Soils Consultant/Reports
1,000,000 \$
2,901,788 \$
49,608. \$
24,000 \$
1,000,000 2,901,788 49,608 24,000
Total Soft Costs
Total Project Costs
Total MBE/WBE Participation
3,975,396 \$ 66,773,061 \$
5,072,030
3,975,396 61,701,031
MBE WBE
14,808,248 2,468,041
¹ The contingency is subject only to the extent that it is used.
PRELIMINARY BUDGET - SUBJECT TO UPDATES BEFORE CLOSING
17,276,289

EXHIBIT I APPROVED PRIOR EXPENDITURES [To Be Attached.]
EXHIBIT J OPINION OF DEVELOPER'S COUNSEL [To be retyped on the Developer's Counsel's letterhead]

City of Chicago
121 North LaSalle Street "
Chicago, IL 60602
ATTENTION: Corporation Counsel
Ladies and Gentlemen:

We have acted as counsel to __, an [Illinois]__
(the "Developer"), in connection with the purchase of certain land and the construction of certain facilities thereon located in the __Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":
(a) __;_Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the City of Chicago (the "City");
[(b) the Escrow Agreement of even date herewith executed by the Developer and the City;]
(c) [insert other documents including but not limited to documents related to purchase and financing of the Property and all lender financing related to the Project]; and
(d) all other agreements, instruments and documents executed in connection with the foregoing.
In addition to the foregoing, we have examined
(a) the original or certified, conformed or photostatic copies of the Developer's (i) Articles of Incorporation, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) By-Laws, as amended to date, and (iv) records of all corporate proceedings relating to the Project [revise if the Developer is not a corporation]; and
(b) such other documents, records and legal matters as we have deemed necessary or relevant for purposes of issuing the opinions hereinafter expressed.

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

Based on the foregoing, it is our opinion that:

1. The Developer is a corporation duly organized, validly existing and in good standing under the laws of its state of [incorporation] [organization], has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign corporation under the laws of every state in which the conduct of its affairs or the ownership of its

[corporation] [entity] under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

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

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

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

5. Exhibit A attached hereto (a) identifies each class of capital stock of the Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of the Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital stock of the Developer is duly authorized, validly issued, fully paid and nonassessable.

6. To the best of our knowledge after diligent inquiry, no judgments are outstanding against the Developer, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against the Developer or affecting the Developer or its property, or seeking to restrain or enjoin the performance by the Developer of the Agreement or the transactions contemplated by the Agreement, or contesting the validity thereof. To the best of our knowledge after diligent inquiry, the Developer is not in default with respect to any order, Writ,

injunction or decree of any court, government or regulatory authority or in default in any respect under any law, order, regulation or demand of any governmental agency or instrumentality, a default under which would have a material adverse effect on the Developer or its business.

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

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

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

10. To the best of our knowledge after diligent inquiry, the Developer owns or possesses or is licensed or otherwise has the right to use all licenses, permits and other governmental approvals and authorizations, operating authorities, certificates of public convenience, goods carriers permits, authorizations and other rights that are necessary for the operation of its business.

11. A federal estate tax credit will be the State of Illinois and excluding the estate of the Developer of the State

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

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than federal laws of the United States of America and the laws of the State of Illinois.

[Note: include a reference to the laws of the state of incorporation/organization of the Developer, if other than Illinois.]

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

. Very truly yours,

By:

Name:

EXHIBIT K FORM OF PAYMENT BOND [To Be Attached.]

EXHIBIT L

REQUISITION FORM

STATE OF ILLINOIS)

) SS v COUNTY OF COOK)

The affiant, ____, __ of [CJUF III Harper Court

LLC][Lake Park Associates, Inc.], an Illinois [limited liability company][corporatidn] (the "Developer"), hereby certifies that with respect to that certain 53rd Street Redevelopment Agreement between the Developer and the City of Chicago dated __, __ (the "Agreement"):

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

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

\$ __

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

\$ __

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

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

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement with respect to the Developer are true and correct and the Developer is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default under the Agreement, exists or has occurred.

3. [With respect to Harper Court only] The Developer is operating the Property for the same use as described in the Redevelopment Agreement.

4. [With respect to Harper Court only] The financial statements for the Developer's most recently conducted fiscal year are attached to this Requisition Form or have previously been provided to the City.

F. [With respect to Harper Court only] Attached hereto is a copy of the most recently available report (or final approval with respect to the Final Installment only) of the Monitoring and Compliance Division of the Department of Housing and Economic Development with respect to MBEAA/BE, City Resident hiring and prevailing wage matters.

G. [With respect to Harper Court only] Attached hereto is a copy of the inspecting architect's confirmation of construction completion, or percentage of completion, as applicable [ONLY FOR FINAL INSTALLMENT].

H. Attached hereto is documentation establishing full payment of the last installment of real estate taxes due prior to the date hereof.

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

[Developer]

By: __

Name

Title: __

Subscribed and sworn before me this __ day of

My commission expires:

Agreed and accepted:

Name

Title: _

City of Chicago

Department of Housing and Economic Development

EXHIBIT M-1

FORM OF CITY NOTE A

REGISTERED

MAXIMUM AMOUNT NO. R-1 \$__

UNITED STATES OF AMERICA STATE OF ILLINOIS COUNTY OF COOK CITY OF CHICAGO TAX

INCREMENT ALLOCATION REVENUE NOTE (HARPER COURT) REDEVELOPMENT PROJECT), [TAX-

EXEMPT] SERIES 2011A

Registered Owner: [Developer]

Interest Rate: __per annum

Maturity Date: __,__[twenty years from issuance date]

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, " Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal

amount of \$__ and to pay the Registered Owner interest on that amount at the Interest

Rate per year specified above from the date of the advance. Interest shall be computed on the . basis of a 360 -day year of twelve 30-day months. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this Note from the Available Incremental Taxes (City Note A) (as defined in the hereinafter defined Redevelopment Agreement) is due March 1 of each year until the earlier of Maturity or until this Note is paid in full. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City

) maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address^furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$_ for the purpose of paying the costs of certain eligible redevelopment project costs incurred or to be incurred by_[Developer]

(the "Project"), which were constructed in connection with the development of an approximately [3.25 acre] site in the 53rd Street Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq..) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on __,__(the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance ("Available Incremental Taxes (City Note A)"), in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description,

among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured.

THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AVAILABLE INCREMENTAL TAXES (CITY NOTE A), AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE. The principal of this Note is subject to redemption on any date, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar. [Add three year lock-out on prepayment unless there is an event of default.]

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes or other denominations.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide.

Pursuant to the Redevelopment Agreement dated as of [_,_] among the City, [Lake Park and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner] has agreed to construct the Project and to advance funds [for the construction of certain facilities] related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of \$_ shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to [suspend and/or terminate] payments of principal and of interest on this Note upon the occurrence of certain conditions, [and the City has reserved the right to offset liquidated damage amounts owed to the City against the principal amount outstanding under this Note. The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred.] Such rights shall survive any transfer of this Note.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required

by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon

shall have been signed by the Registrar.
(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

\
IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of __, __.

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Harper Court Redevelopment Project), Series 2011 A, of the City of Chicago, Cook County, Illinois.

Comptroller Date:

Mayor

(SEAL) Attest:

City Clerk

CERTIFICATE OF AUTHENTICATION

Registrar and Paying Agent Comptroller of the City of Chicago, Cook County, Illinois

PRINCIPAL PAYMENT RECORD DATE OF PAYMENT PRINCIPAL PAYMENT PRINCIPAL BALANCE DUE

/ (ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to by:

CITY OF CHICAGO

DEPARTMENT OF COMMUNITY DEVELOPMENT

\ BY: ITS:

[CERTIFICATION OF EXPENDITURE]

(Closing Date)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")

\$ Tax Increment Allocation Revenue Note

(Redevelopment Project, [Taxable] Series [])

(the "Redevelopment Note")

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on __, __ (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$__ is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$__, including the amount of this Certificate and less payment made on the Redevelopment Note. ^

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of (Closing Date).

CITY OF CHICAGO

CITY OF CHICAGO

By: ' _j

_ Commissioner

Department of Housing and Economic Development

AUTHENTICATED BY:

REGISTRAR]

EXHIBIT M-2

FORM OF CITY NOTE B REGISTERED

MAXIMUM AMOUNT

NO. R-1 \$ _

UNITED STATES OF AMERICA STATE OF ILLINOIS COUNTY OF COOK CITY OF CHICAGO TAX INCREMENT ALLOCATION REVENUE NOTE (HARPER COURT) REDEVELOPMENT PROJECT), [TAXABLE] SERIES 2011B

Registered Owner: [Developer]

Interest Rate: _per annum

Maturity Date: __, __ [twenty years from issuance date]

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Ownerto pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal

amount of \$ _and to pay the Registered Owner interest on that amount at the Interest

Rate per year specified above from the date of the advance. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this Note from the Available Incremental Taxes (City Note B) (as defined in the hereinafter defined Redevelopment Agreement) is due March 1 of each year until the earlier of Maturity or until this Note is paid in full. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the

close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment. r

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$ _; _ for the purpose of paying the costs of certain eligible redevelopment project costs incurred or to be incurred by __ [Developer] (the "Project"), which were constructed in connection with the development of an approximately . [3.25 acre] site in the 53rd Street Redevelopment Project Area (the "Project Area") in the City, all in



accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seg.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seg.) and an Ordinance adopted by the City

Council of the City on __, __ (the "Ordinance"), in all respects as by law required. .

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance ("Available Incremental Taxes (City Note B)", in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured: THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AVAILABLE INCREMENTAL TAXES (CITY NOTE B), AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE. The principal of this Note is subject to redemption on any date, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes or other denominations.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been

mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide.

Pursuant to the Redevelopment Agreement dated as of [__, __] among the City, [Lake Park and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner] has agreed to construct the Project and to advance funds [for the construction of certain facilities] related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of \$_ shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to [suspend and/or terminate] payments of principal and of interest on this Note upon the occurrence of certain conditions, [and the City has reserved the right to offset liquidated damage amounts owed to the City against the principal amount outstanding under this Note. The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred.] Such rights shall survive any transfer of this Note.

The City and the Registrar may deem and treat the Registered, Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be

done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of __.

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Harper Court Redevelopment Project), Series 2011 A, of the City of Chicago, Cook County, Illinois.

Comptroller Date:

Mayor

(SEAL) Attest: City Clerk

CERTIFICATE OF AUTHENTICATION

Registrar and Paying Agent Comptroller of the City of Chicago, Cook County, Illinois

PRINCIPAL PAYMENT RECORD DATE OF PAYMENT PRINCIPAL PAYMENT

PRINCIPAL BALANCE DUE

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises. Dated:

Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever. Signature Guaranteed:

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company. Consented to by: CITY OF CHICAGO

DEPARTMENT OF COMMUNITY DEVELOPMENT

BY:

ITS:

[CERTIFICATION OF EXPENDITURE

(Closing Date)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")

\$ Tax Increment Allocation Revenue Note

(Redevelopment Project, [Taxable] Series [])

(the "Redevelopment Note")

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on __, __ (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$__ is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the

outstanding principal balance under the Redevelopment Note is \$___, including the amount of this Certificate and less payment made on the Redevelopment Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of (Closing Date).

CITY OF CHICAGO

By:___

___, Commissioner
Department of Housing and Economic •
Development

AUTHENTICATED BY:

REGISTRAR]

EXHIBIT N

FORM OF SUBORDINATION AGREEMENT]

This document prepared by and after recording return to:

, Esq.

Assistant Corporation Counsel Department of Law 121 North LaSalle Street, Room 600 Chicago, IL 60602

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of the day of __, __ between the City of Chicago by and through its Department of Housing and Economic Development (the "City"), [Name Lender], a [national banking association] (the "Lender")-

WITNESSETH:

WHEREAS, [Describe Project - use language form Recitals of Redevelopment agreement - see example below] the __; __ an Illinois limited liability company (the "Developer"), has purchased certain property located within the Central Loop Redevelopment Project Area at 134 North LaSalle Street and 171 West Randolph Street, Chicago, Illinois 60602 and legally described on Exhibit A hereto (the "Property"), in order to redevelop the building (the "Building") located on the Property through the following activities: (i) the renovation of the Bismarck Hotel; (ii) the renovation of the Palace Theater, including the renovation of the auditorium and related public spaces; (iii) the renovation of the Metropolitan Office Building to meet the requirements of the Americans with Disabilities Act and to refinish certain common areas; (iv) the upgrade of the centralized mechanical, electrical and plumbing ("MEP") systems of the Building, including life safety and fire protection as well as MEP improvements to specific Building use components; and (v) sidewalk vault and Building facade improvements (the "Public Improvements") (the redevelopment of the Building and the Property as described above and the related Public Improvements are collectively referred to herein as the "Project."); and

WHEREAS, [describe financing and security documents - leave blanks as necessary if you do not have financing documents - see example below] as part of obtaining financing for the

r
Project, the Developer and American National Bank and Trust Company of Chicago, as trustee under Trust Agreement dated November 19, 1996 and known as Trust No. 122332-01 (the "Land Trustee") (the Developer and the Land Trustee collectively referred to herein as the "Borrower"), have entered into a certain Construction Loan Agreement dated as of December 29, 1997 with the Lender pursuant to which the Lender has agreed to make a loan to the Borrower in an amount not to exceed \$44,000,000 (the "Loan"), which Loan is evidenced by a Mortgage Note and executed by the Borrower in favor of the Lender (the "Note"), and the repayment of the Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Borrower pursuant to the following: (i) Mortgage dated December 29, 1997 and recorded January 2, 1998 as document number 98001840 made by the Borrower to the Lender; and (ii) Assignment of Leases and Rents recorded January 2, 1998 as document number 98001841 made by the Borrower to the Lender (all such agreements referred to above and otherwise relating to the Loan referred to herein collectively as the "Loan Documents");

WHEREAS, the Developer desires to enter into a certain Redevelopment Agreement dated the date hereof with the City in order to obtain additional financing for the Project (the "Redevelopment Agreement," referred to herein along with various other agreements and documents related thereto as the "City Agreements");

WHEREAS, pursuant to the Redevelopment Agreement, the Developer will agree to be bound by certain covenants expressly running with the Property, as set forth in Sections [8.02, 8.06 and 8.19] [Note" Refer to

Section 7.02 of the Agreement to confirm which covenants to list] of the Redevelopment Agreement (the "City Encumbrances");

WHEREAS, the City has agreed to enter into the Redevelopment Agreement with the Developer as of the date hereof, subject, among other things, to (a) the execution by the Developer of the Redevelopment Agreement and the recording thereof as an encumbrance against the Property; and (b) the agreement by the Lender to subordinate their respective liens under the Loan Documents to the City Encumbrances; and

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lender and the City agree as hereinafter set forth:

1. Subordination. All rights, interests and claims of the Lender in the Property pursuant to the Loan Documents are and shall be subject and subordinate to the City Encumbrances. In all other respects, the Redevelopment Agreement shall be subject and subordinate to the Loan Documents. Nothing herein, however, shall be deemed to limit the Lender's right to receive, and the Developer's ability to make, payments and prepayments of principal and interest on the Note, or to exercise its rights pursuant to the Loan Documents except as provided herein.

2. Notice of Default. The Lender shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to the Lender, (a) copies of any notices of default which f it may give to the Developer with respect to the Project pursuant to the Loan Documents or the City Agreements, respectively, and (b) copies of waivers, if any, of the Developer's default in connection therewith. Under no circumstances shall the Developer or any third party be entitled to rely upon the agreement provided for herein.

3. Waivers. No waiver shall be deemed to be made by the City or the Lender of any of their respective rights hereunder, unless the same shall be in writing, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the City or the Lender in any other respect at any other time.

4. Governing Law; Binding Effect. This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the internal laws and decisions of the State of Illinois, without regard to its conflict of laws principles, and shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Lender.

5. Section Titles; Plurals. The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto. The singular form of any word used in this Agreement shall include the plural form.

6. Notices. Any notice required hereunder shall be in writing and addressed to the party to be notified as follows:

If to the City: City of Chicago Department of Housing and Economic Development

121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner

With a copy to: City of Chicago Department of Law

121 North LaSalle Street, Room 600 Chicago, Illinois 60602

Attention: Finance and Economic Development Division If to the Lender: _

Attention:

With a copy to: _

Attention: _

or to such other address as either party may designate for itself by notice. Notice shall be deemed to have been duly given (i) if delivered personally or otherwise actually received, (ii) if sent by overnight delivery service, (iii) if mailed by firstclass United States mail, postage prepaid, registered or certified, with return receipt requested, or (iv) if sent by facsimile with facsimile confirmation of receipt (with duplicate notice sent by United States mail as¹ provided above). Notice mailed as provided in clause (iii) above shall be effective upon the expiration of three (3) business days after its deposit in the United States mail. Notice given in any other manner described in this paragraph shall be effective upon receipt by the addressee thereof; provided, however, that if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender.

7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one instrument.

[The remainder of this page is intentionally left blank.]

/

IN WITNESS WHEREOF, this Subordination Agreement has been signed as of the date first written above.

[LENDER], [a national banking association]

By: Its:

CITY OF CHICAGO

CITY OF CHICAGO

By:
Development
Its_ Commissioner,
Department of Housing and Economic

ACKNOWLEDGED AND AGREED TO THIS DAY OF

[Developer], a

By: Its:
STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT_, personally known to me to be the_ Commissioner of the Department of Housing and Economic Development of the City of Chicago, Illinois (the "City") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Commissioner, (s)he signed and delivered the said instrument pursuant to authority, as his/her free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this_ day of

Notary Public
(SEAL)

/
STATE OF ILLINOIS
)
)SS
COUNTY OF COOK

)
a notary public in and for the said County, in the State
, personally known to me to be the
aforesaid, DO HEREBY CERTIFY THAT
of [Lender], a

, and personally known to me to
be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed and delivered said instrument, pursuant to the authority given to him/her by Lender, as his/her free and voluntary act and-as the free and voluntary act of the Lender, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this_ day of

Notary Public
My Commission Expires
(SEAL)

EXHIBIT A - LEGAL DESCRIPTION

/
CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable: The 1996 Ellen Joy Mervis Trust

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: CJUF III Harper Court LLC

OR
3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control:_
B. Business address of the Disclosing Party: 800 Oak Street, Danville, IL 61832
C. Telephone:

Email: davis@davis-delanois.com <<mailto:davis@davis-delanois.com>>

D. Name of contact person: Jerry A. Davis, Trustee

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

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

Tax increment financing and city land conveyance for the Harper Court project

G. Which City agency or department is requesting this EDS? ^{DHED} _

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

Specification # ___ and Contract # _

Ver. 09-01-10

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SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

Indicate the nature of the Disclosing Party:

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

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

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

Yes No [p/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title Jerry A. Davis Trustee _

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

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure. Present beneficiary of income of The 1996 Ellen Joy Mervis Trust:

Name Business Address Percentage Interest in the

Disclosing Party 100% of Income

Ellen J. DeLuca c/o Davis and Delanois, 800 Oak Street, Danville, IL 61832

SECTION III - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

Yes No

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

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. "Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

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

Name (indicate whether Business Relationship to Disclosing Party Fees (indicate whether retained or anticipated Address (subcontractor, attorney, paid or estimated.) NOTE:

to be retained) lobbyist, etc.) "hourly rate" or "t.b.d." is

■ \ not an acceptable response.

N/A; _____

(Add sheets if necessary)

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

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

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

Disclosing Party.

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

Yes No

B. FURTHER CERTIFICATIONS

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

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

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

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

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

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

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

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

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

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

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

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one) is is not a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

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

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

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

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

Yes No ,

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

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

Does the Matter involve a City Property Sale?

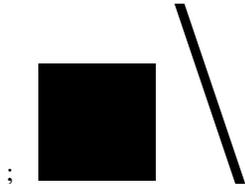
Yes No

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

Name Business Address Nature of Interest

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS



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

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

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

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SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

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

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

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

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

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

Yes No If "Yes," answer the three questions below:

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

Yes No

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

Yes No

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

Yes No

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

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

The Disclosing Party understands and agrees that:

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

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

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

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

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

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

The Disclosing Party represents and warrants that:

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

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

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

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

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS 3iid Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City. The -1996 Ellen Joy Mervis Trust (Print or type name of Disclosing Party)

Jerry A. Davis
(Print or type name of person signing)
Trustee
(Print or type title of person signing)

Commission expires: 08/04/2013

Notary Public.

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

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

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

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

Yes No

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

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

SECTION I - GENERAL INFORMATION

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

era* TS. to for (Wrm uur^

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the , Applicant in which the Disclosing Party holds an interest: L^U^ttt ^iQjfytyfY' CjjjsJ^^ LUc^^"

OR

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

B. Business address of the Disclosing Party: VW<^VAg. ft} £fa*\$ I^ffi QOV^

, C. Telephone:JBtB^BBBmBi Fax^JJ[BBBH^| Email:

D. Name of contact person:

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

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

G. Which City agency or department is requesting this EDS? _

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

Specification # __ and Contract # _

(Jr-JU- fpfW^ ■

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

Person Limited liability company

Publicly registered business corporation Limited liability partnership

Privately held business corporation Joint venture

Sole proprietorship Not-for-profit corporation

General partnership (Is the not-for-profit corporation also a 501(c)(3))? Limited partnership Yes No

Trust Other (please specify)

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

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

Yes No N/A ..

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s). If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

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

interest include shares in a corporation, partnership interest in a partnership or joint venture,

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

Name Business Address Percentage Interest in the

1. Disclosing Party

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SECTION III - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

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

SECTION IV - DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

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

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself.

"Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

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

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Name (indicate whether Business Relationship to Disclosing Party Fees (indicate whether retained or anticipated Address (subcontractor, attorney, paid or estimated.) NOTE:

to be retained) lobbyist, etc.) "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

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

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

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

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

Yes No ,

B. FURTHER CERTIFICATIONS

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

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

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any-federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining; attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

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e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

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

- the Disclosing Party;

- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");

- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity; ."/•

- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a

Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

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

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

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

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

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

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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

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

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

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

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

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

Yes [po

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

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

Does the Matter involve a City Property Sale?

Yes No

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

Name Business Address Nature of Interest

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

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

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

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SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

Mjtt---.-- _ -

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

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the

award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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

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

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

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

Yes No If "Yes," answer the three questions below: ■^r

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

Yes No • i

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements? ¹

Yes No

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

Yes No

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

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

The Disclosing Party understands and agrees that:

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

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

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

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable,

and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

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

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

The Disclosing Party represents and warrants that:

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

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

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

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

CERTIFICATION

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

(Print or type name of Disclosing Party)

By:

(Sign here)

(Print or type name of person signing) (Print or type title of person signing)

Signed and sworn to before me on at __ County,

(state).

Commi

vW. (V^a UpO-*A UvUu/i TJX

Notary Public.

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^Bavi Ccofer Sh<rman}pr^dl-h> me -The basis of ' '**

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Bf THLEME MARIE I _____

ComtttMlofc # 1907034 Notary PuWto - Cafflomir tafgbi/ Los Angeles County 5-iii ,^M/ Comm.

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PANCOA8T ^ 1907034 | ^afffomir l-

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS



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

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

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section JI.B.l.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person¹ exercising similar authority.

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

Yes

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

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

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

Page 2 of 13

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

Name Business Address Percentage Interest in the , Disclosing Party , *

SECTION II - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

Yes No

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

SECTION IV - DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

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

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself.

"Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

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

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Name (indicate whether Business Relationship to Disclosing Party Fees (indicate whether retained or anticipated Address (subcontractor, attorney, paid or estimated.) NOTE:

to be retained) lobbyist, etc.) "hourly rate" or "t.b.d." is not an acceptable response

(Add sheets if necessary)

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

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

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

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

Yes No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the

Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

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

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

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

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

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

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public

officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

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

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

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

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

Page 6 of 13

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one) is ¹/is not a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

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

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

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

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

Yes No

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

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2. Unless sold: pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in

the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

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

Name Business Address Nature of Interest

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

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

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

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SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

Ufa , _ = _ . _ : _ = _ : _ -

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

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

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

A.1. and A.2. above.

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

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

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

Yes No If "Yes," answer the three questions below:

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

Yes No

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

Yes No

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

Yes . No

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

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

The Disclosing Party understands and agrees that:

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

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

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

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

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request.

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

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

The Disclosing Party represents and warrants that:

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

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

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

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

CERTIFICATION

Under penalty of perjury, the person signing below: this EDS and Appendix A (if applicable) on behalf certifications and statements contained in this EDS and complete as of the date furnished to the City.

: (1) warrants that he/she is authorized to execute of the Disclosing Party, and (2) warrants that all and Appendix A (if applicable) are true, accurate

(Print or type name of Disclosing Party)

*(Sign here) (Print or type name of person signing)

0/1

(Print or type title of person signin

Signed and sworn to before me on (date) at _County,

K {j^a hfoti

(state).

Notary Public.

Copfmissjaifexpires

State of Cci/Jh

CowM-^ of Los Arv^EW.S

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-eMxchmuL, +o be--five person u)Wo appeared*

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COmftftstoo # 1907034 Notary ftobflc- California

lot Angeles County f-Cojnm. Expires Oct 7.20141

CITY OF CHICAGO ' ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

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

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

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

Yes HNo

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

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

SECTION I - GENERAL INFORMATION

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

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

.....

1. the Applicant
OR

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

>R

3. M a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: fcOUA^ \bfo(W\ ¥uy\l j£B> t-f.

B. Business address of the Disclosing Party: *£00C? V\jtV\dL <(p-fy\£ &flJ& {H^PtvO/"

C. Telephone/Fax. ^^^^k Emau-faWymOjr^

D. Name of contact person:

E. Federal Employer Identification No. (if you have

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

G. Which City agency or department is requesting this EDS?__

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

Specification #_and Contract #__

Ver. 09-01-10

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SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

Person Limited liability company

Publicly registered business corporation Limited liability partnership

Privately held business corporation Joint venture

Sole proprietorship Not-for-profit corporation

General partnership (Is the not-for-profit corporation also a 501(c)(3))? Limited partnership Yes No

Trust Other (please specify)

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

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

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full .names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s). If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name . Title

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

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interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of

Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name Business Address Percentage Interest in the Disclosing Party

SECTION III - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

Yes No

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

SECTION IV - DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

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

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself.

"Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

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

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Name (indicate whether Business Relationship to Disclosing Party Fees (indicate whether retained or anticipated Address (subcontractor, attorney, paid or estimated.) NOTE:
to be retained) lobbyist, etc.) "hourly rate" or "t.b.d." is

not an acceptable response.

(Add sheets if necessary)

fvf' Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities. SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

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

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

Yes No

B. FURTHER CERTIFICATIONS

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

in certifications 2 and 3 below.

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

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

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

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

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

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

- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).
4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. ,
6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.
7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Page 6 of 13

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C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one) is [vjfis not a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.
2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:
" We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."
If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

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

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

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.I., provide the names and business addresses of the City officials or

employees having such interest and identify the nature of such interest:

Name Business Address Nature of Interest

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

<

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

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

_2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

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SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

m. _ - _ : _ - _ :

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

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

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

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

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and

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

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

Yes No If "Yes," answer the three questions below:

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

Yes No

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

Yes No . ,

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

Yes No

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

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

The Disclosing Party understands and agrees that:

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

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

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

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

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

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being

handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter, 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

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

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

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

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

CERTIFICATION

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

(Print or type name of Disclosing Party)

(Print or type By:

(Sign here (Print or type name of person signing)

(Print or type title of person signing)

(Print or type title of person signing)

** u. ty? ^ m ^ o*

Signed and sworn to before me on, at County

Commission expires:

(state).

Notary Public.

Commission # 1W7034 Notary Public - California in Angeles County |
Res OWJfMI

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Comfra of LosAraeUs - -

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

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

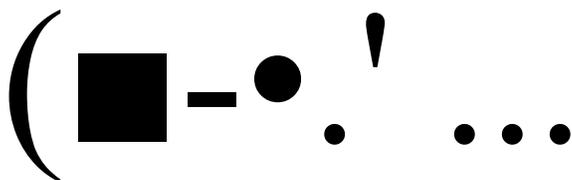
This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

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

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section KB. La., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 1.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

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

Yes No



If yes, please identify below (1) the name and title of such

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

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**CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
SECTION I - GENERAL INFORMATION**

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

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

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

OR

3. If/ a legal entity with a right of control (see Section II.B.I.) State the legal name of the entity in which the Disclosing Party holds a right of control: C0uA40A CdQihA ikb&A HE Oft(\$M)< f^YI^V*

B. Business address of the Disclosing Party: 2/lfIO rWlSm*- Ofc \$f&*\$, 1 fi* PttfifSf

Us rTriy^V, (M- ^dOit^-

C. Telephone: fIHHiHB Fax: flfIBHBt- Bmail: W£V\6Wit/Yffi ^(^|^./^V

D. Name of contact person:

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

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

G. Which City agency or department is requesting this EDS? hH£t^

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

Specification # and Contract # .

Ver. 09-01-10

Page 1 of 13

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

Limited liability company Limited liability partnership Joint venture
Not-for-profit corporation the not-for-profit corporation also a 501(c)(3)?

Yes No

Other (please specify)

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

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

Yes N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s). ~ •

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name s Title

1. Indicate the nature of the Disclosing Party:

Person

Publicly registered business corporation

Privately held business corporation

Sole proprietorship

General partnership (Is Limited partnership)

Trust

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

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

Name Business Address Percentage Interest in the

Disclosing Party

SECTION III - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

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

SECTION IV - DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

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

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

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

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Name (indicate whether Business Relationship to Disclosing Party Fees (indicate whether retained or anticipated Address (subcontractor, attorney, lobbyist, etc.) "hourly rate" or "t.b.d." is

not an acceptable response.

(Add sheets if necessary)

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

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

Yes

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

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

Yes No

B. FURTHER CERTIFICATIONS

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

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

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

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

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

Page 5 of 13

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of

such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or ¹
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

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

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

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

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

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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

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

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

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

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

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

[] Yes [x] No

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

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

Does the Matter involve a City Property Sale?

Yes No -

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

Name Business Address Nature of Interest

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

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

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

Page 8 of 13

SECTION VI » CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

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

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

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

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

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

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

Yes No If "Yes," answer the three questions below:

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

Yes No

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

Yes No

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

Yes No

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

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

The Disclosing Party understands and agrees that:

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

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

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Is the Disclosing Party the Applicant?

Yes

If "Yes," answer the three questions below:

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

Yes No

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

Yes No

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

Yes No

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

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

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

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

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

The Disclosing Party represents and warrants that:

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

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor

permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

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

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

CERTIFICATION

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

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(Printer type name of Disclosing Party)

f^-. Covi^ twfM IcaXH /4z^V<L LLC , Ofw&k pisnnas

By:

(Sign here)

(Print or type name of person signing)

(Print or type title of person signing)

Signed and sworn to before me on, at County^

(state).

Notary Public.

3VccVe Col \.Jf*n i k>

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of**

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Commlssloo # 1907034 Notary Public • California Los Angeles County My "---F»plr«8 Oct 7. 2014 J
CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or

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

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

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

Yes No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has¹ a familial relationship, and (4) the precise nature of such familial relationship.

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
SECTION I - GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable: CJUF III Harper Court LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

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

OR

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

Harper Court Partners, LLC

B. Business address of the Disclosing Party: c/o Vermilion Development, Inc. _

180 N. Stetson, Suite 3500

Chicago, IL 60601 _

dave@vermiliondevelopment.com <mailto:dave@vermiliondevelopment.com>

C. Telephone: ^HLHLfHLV__ Fax: fHfLflLHB__ Email: _

D. Name of contact person: Dave Cocagne _

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

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

Tax increment financing and city land conveyance for the Harper Court project

G. Which City agency or department is requesting this EDS? DHED _

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

following:

Specification #_ and Contract #_

Ver. 09-01-10

Page 1 of 13

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY 1. Indicate the nature of the Disclosing Party:

Person Limited liability company

Publicly registered business corporation Limited liability partnership Privately held business corporation Joint venture

Sole proprietorship Not-for-profit corporation

General partnership (Is the not-for-profit corporation also a 501(c)(3))?

Limited partnership Yes No

Trust Other (please specify)

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

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

Yes No N/A -

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

r"

David Cocaqne_Manager_ " _

CJUF III Harper Court IM LLC_Independent Manager_

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

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

.1.

Name Business Address Percentage Interest in the Disclosing Party

Harper Court Partners, LLC, 180 N. Stetson, Suite 3500 Chicago,¹ IL 60601 100%*

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

Yes No

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

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

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

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself.

"Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

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

◆Anticipated at closing CJUF III Harper Court IM LLC will own 85% and Harper Court Partners, LLC will own 15%

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Name (indicate whether retained or anticipated to be retained)

See attached

Business Relationship to Disclosing Party Address (subcontractor, attorney, lobbyist, etc.)

Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

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

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

[] Yes [x] No [] No person directly or indirectly owns 10% or more of the

Disclosing Party.

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

[] Yes [] No

B. FURTHER CERTIFICATIONS

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

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

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

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

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

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

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

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

<

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

(

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

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

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

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

Page 6 of 13

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

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C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one) is is not a "financial institution" as defined in Section 2-32-455(b)'of the Municipal Code.

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

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

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

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

Yes No

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

Page 7 of 13

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

Does the Matter involve a City Property Sale?

Yes No ,

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

Name Business Address Nature of Interest

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

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

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

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SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

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

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

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

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

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

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant? ^

Yes No If "Yes," answer the three questions below:

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

Yes No

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

Yes - No

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

Yes No

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

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

DISCLOSURE

The Disclosing Party understands and agrees that:

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

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

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

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

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

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

The Disclosing Party represents and warrants that:

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

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

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

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

CERTIFICATION

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

(Sign here)

David Cocaqne_

(Print or type name of person signing)

Manager_

(Print or type title of person signing)

Signed and sworn to before me on (date) H -TL "I at Coo X> County, jruciAJotS (state).

CJUF III Harper Court LLC

(Print or type name of Disclosing Party)

otary Public.

Commission expires:

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

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

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

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

[] Yes [x] No

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

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Harper Court Pro Forma (Phase 1)

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Harper Court

TABLE OF CONTENTS

Retained Parties Overview

Chicago, Illinois
4/5/1981

Architecture & Engineering Fee Overview

Relationship

Website

Address

Estimated Budget

Fan- Associates Farr Associates HPA

Henneman Engineering Inc.

SPACECO, Inc.

Wolff Landscaping

CS Associates, Inc.

Shiner+Associates, Inc.

Kenlg, Lindgren, O'Hara, Aboona, Inc.

Xenon Geosciences, Inc.

AECOM

Walker Parking Consultants The Waterworks Group, Inc. Jenkins & Huntington, Inc. Quast Consulting & Testing Inc. ComEd Relocation Engineering dbHMS

Metro Commercial Real Estate

Shesky & Froelich Ltd.

Chico & Nunes, P.C.

James McHugh Construction Co.

William Blair & Company

Jones Lang LaSalle

Centaur

Target Group Inc Gardiner & Theobald Inc.

Architectural Design LEED Consultant Architectural Design Mechanical Engineering Civil Engineering Landscape Design Structural Engineering Acoustical Traffic Consultant Environmental Consultant

Environmental/Geo-Technical Consultant Parking Consultant Financial Advisory Elevator Consultant Facade Consultant ComEd Relocation Engineering Commissioning Agent Retail Brokerage Attorney

Attorney Contractor Financial Advisory Consultant

Owner's Representative/Construction Manager MBE/WBE Consultant

CJUF Owner's Representative/Construction Manager

www.farrside.com <<http://www.farrside.com>>

www.farrside.com <<http://www.farrside.com>>

www.hparchitectire.com <<http://www.hparchitectire.com>>

www.henneman.com <<http://www.henneman.com>>

www.spacecoinc.com <<http://www.spacecoinc.com>>

www.wolfflandscape.com <<http://www.wolfflandscape.com>>

www.csaena.com <<http://www.csaena.com>>

www.shineracoustics.com <<http://www.shineracoustics.com>>

www.kloainc.com <<http://www.kloainc.com>>

www.aecom.com <<http://www.aecom.com>>www.walkerparkino.com <<http://www.walkerparkino.com>>

www.ienkinshuntinton.com <<http://www.ienkinshuntinton.com>>www.gcandt.com <<http://www.gcandt.com>>

www.dbhms.com <<http://www.dbhms.com>>

www.metrocre.com <<http://www.metrocre.com>>

www.5hfskvlaw.com <<http://www.5hfskvlaw.com>>

www.chiconunes.com <<http://www.chiconunes.com>>

www.mchuohconstruction.com <<http://www.mchuohconstruction.com>>

www.williamblair.com <<http://www.williamblair.com>>

www.ioneslanglasaHe.com <<http://www.ioneslanglasaHe.com>>

www.centauroco.com <<http://www.centauroco.com>>

www.targetgroupinc.com <<http://www.targetgroupinc.com>>

www.Qardiner.com <<http://www.Qardiner.com>>

53 W. Jackson Blvd., Suite 650, Chicago, IL 60604

53 W. Jackson Blvd., Suite 650, Chicago, IL 60604

232 N. Carpenter Street, Chicago, IL 60607

200 S. Wacker Drive, Suite 850, Chicago, IL 60606

9575 W. Huggins Road, Suite 700, Rosemont, IL 60018

307 N. Michigan Avenue, Suite 601, Chicago, IL 60601

4532 W. 103rd Street, Oak Lawn, IL 60453

225 W. Washington Street, Suite 1625, Chicago, IL 60606

9575 West Higgins Road, Suite 100, Rosemont, IL 60018

P.O. Box 681, Danville, IN 46122

303 East Wacker Drive, Chicago, IL 60601

850 W. Jackson Blvd., Suite 310, Chicago, IL 60607

700 N. Green Street, Suite 405, Chicago, IL 60622

17W106 91st St, Willowbrook, IL 60527

1055 Indianhead Drive, PO Box 241, Mosinee WI 54455

N/A

303 W. Erie Street, Chicago, IL 60654

56 Skokie Valley Road, Highland Park, IL 60035

111 E. Wacker Drive, Suite 2800, Chicago, IL 60601

333 W. Wacker Drive, Suite 1800, Chicago, IL 60606

1737 S. Michigan Avenue, Chicago, IL 60616

222 W. Adams Street, Chicago, IL 60606

200 E. Randolph Drive, Chicago, IL 60601 /

833 N. Orleans Street, Suite 300, Chicago, IL 60610

330 S. Wells Street Suite 400, Chicago, IL 60606

700 12th Street, NW, Suite 700, Washington, DC 20005

350,000 50,000 1,500,000 300,000 - 350,000 50,000 25,000 425,000 - 475,000 10,000 7,500 50,000 25,000 15,000 45,000 25,000 15,000 - 20,000 45,000 70,000 497,082 500,000 - 1,000,000 250,000 - 350,000 . 56,344,485

2,445,000 20,000 550,000 20,000 200,000 - 250,000

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
SECTION I - GENERAL INFORMATION

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

SiFS fIRSe'fc. Of., u-t_

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR
2. [] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: £JTaF HC f^rrgT Chi^~ i-CC-
OR ¹

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

B. Business address of the Disclosing Party: "2<S0(o N- S"T- So iTg"

C. Telephone: 0HB^9HHH!Hfê: ^BBBSBBIBMBEmail: ^pw Q ^|&&J<^<^L/^~Ob&|

D. Name of contact person: "Xta^ Q^ITZlka /VM_

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

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

G. Which City agency or department is requesting this EDS? T^VVgTN_

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

Specification # _ and Contract # _

Vcr. 09-01-10

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SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY 1. Indicate the nature of the Disclosing Party:

) Person 1\$

] Publicly registered business corporation []

) Privately held business corporation []

] Sole proprietorship []

] General partnership (Is

] Limited partnership

j Trust [J

1

Limited liability company Limited liability partnership Joint venture

Not-for-profit corporation

the not-for-profit corporation also a 501(c)(3))?

f] Yes [] No

Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:; _7PjLL./miS_

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

y[]Yes []No ■ ItfN/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no.members." For trusts, estates or other similar entities, list below the legal titleholder(8).

If the entity is a general partnership, limited partnership, limited liability company, limited liability . partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

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

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interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other

similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name Business Address Percentage Interest in the Disclosing Party '

_: dH>C>bo_f XL (,6ki*

SECTION III - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

Yes (tfNo

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

SECTION IV - DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. "Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

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

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Name (indicate whether Business retained or anticipated Address to be retained)

Relationship to Disclosing Parly (subcontractor, attorney, lobbyist, etc)

Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

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

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

Yes

^No No person directly or indireotly owns 10% or more of the

Disclosing Party. L

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

Yes No

B. FURTHER CERTIFICATIONS

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

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J

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section

II.B.I, of this EDS:

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

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

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

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

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

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

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

Unverified List, the Entity List and the Debarred List.

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

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

____rt/ft ____:____;____

Page 6 of 13

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1, The Disclosing Party certifies that the Disclosing Party (check one) is Y is not a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code,.

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

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

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

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

Yes. No

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

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

Does the Matter involve a City Property Sale?

Yes No

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

Name Business Address Nature of Interest

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

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

2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The

Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

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SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary): (If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)
2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.
3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.
4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".
5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A. 1. through AX above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

Yes No If "Yes," answer the three questions below:

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

Yes No ,-

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

Yes No

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

Yes No

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

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

The Disclosing Party understands and agrees that:

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

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions.

The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics <<http://www.cityofchicago.org/Ethics>>. and may also be obtained from the City's Board of Ethics, 740 N.

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

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

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

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

The Disclosing Party, represents and warrants that:

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

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

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

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

CERTIFICATION

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

By:

(Print or type name of person signing)

(Print or type title of person signing)

Signed and sworn to before me on this _____ day of _____, 20____
(date)

>L_ (state).

Commission expires: '}{-((

Notary Public.

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT APPENDIX A
FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

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

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

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

[] Yes - tyfro

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

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
SECTION I - GENERAL INFORMATION

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

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

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

OR

3. *a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: COLflooA (jOthiK Mpfy] IB? (\W\$At)A wAWLtf*

B. Business address of the Disclosing Party: tQ6Q B/c^u^L 6fr j-M_ 1 PitfiJV

Us 'imtfci. cm- Vim^h

C. Telephone: ijJ^BHHB- Fax: BBBBMBBL- BmahW&fcWWffi flifTj(^|fcj^h

D. Name of contact person:

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

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

G. Which City agency or department is requesting this EDS? hlri{?t)

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

Specification # and Contract # .

Ver. 09-01-10

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SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party: s

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

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

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

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s). If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party, NOTE: Each legal entity listed below must submit an EDS on its own behalf.

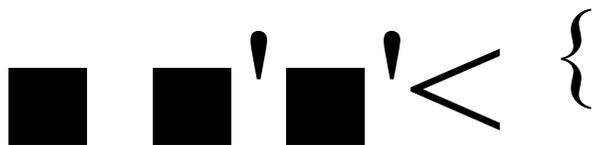
Name Title

k-tbW^Tuxirve^ toKyi^ farinas

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

Page 2 of 13

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



Name Business Address Percentage Interest in the

Disclosing Party

SECTION III - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

Yes e/no

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

SECTION III - DISCLOSURE OF SUBCONTRACTORS AND OTHER RELATED PARTIES

SECTION IV - DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

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

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself.

"Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

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

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

(Add sheets if necessary)

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

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

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

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

Yes No

B. FURTHER CERTIFICATIONS

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

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

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a

violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government," any state, or any other unit of local government. i

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

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

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

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

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

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security

of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

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

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

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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

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

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

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

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

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

Yes No

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

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

Does the Matter involve a City Property Sale?

Yes No

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

Name Business Address Nature of Interest

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

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

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

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

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SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

4£ _____

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

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

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

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

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

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

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

Yes No

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

Yes No

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

Yes No

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

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

The Disclosing Party understands and agrees that:

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

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

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

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages. 1

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

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

The Disclosing Party represents and warrants that:

F. 1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department

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

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

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

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

CERTIFICATION

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

Caftipl iWhj fetv-t^ LLC

(Print or type name of Disclosing Party)

(Sign here)

(Print or type name of person signing)

erson signing

(Print or type title of person signing)

Signed and sworn to before me on (date) at _County,

(state).

Notary Public.

Comm

expires:

lourrrc^ of Los Avxc^US

**-e>V > b^'Tban Cooper SWennan^^i^A -ro me. on -the b&sis *f Sa-
nWry £vadencjl. 4o bdHrKt person c%pfmt£<X**

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BETHLENE MARIE PANCOASf] Commission # 1907034 Notary Public • Calltomla Los Angeles County ^SSs** My
Comm. Expires Oct 7,2014[

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

G. Which City agency or department is requesting this EDS? _____

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

Specification # _____ and Contract # _____

Ver. 09-01-10

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SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

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

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

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

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

v.

1. List below the full names and titles of all executive officers and all directors of the entity.. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).
If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

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

Name _____ - Title Adam Mervis__ Member/Manager_
David Cocagne;__ Member/Manager__

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

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

Name Business Address Percentage Interest in the Disclosing Party

- Adam Mervis, 1180 N. 22nd Street, Decatur, IL 25%
- Michael Mervis, 3295 E. Main, Danville, IL 25%
- Ellen Joy Mervis Trust, 800 Oak Street, Danville, IL 25%
- David Cocagne, 180 N. Stetson, Suite 3500, Chicago, IL 25%.

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

Yes No

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

SECTION IV - DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. "Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

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

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Name (indicate whether Business Relationship to Disclosing Party Fees (indicate whether retained or anticipated Address (subcontractor, attorney, paid or estimated.) NOTE:

to be retained) lobbyist, etc.) "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

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

SECTION V--CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

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

Disclosing Party.

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

Yes No

B. FURTHER CERTIFICATIONS

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

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

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a

violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

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

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

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

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or t

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

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

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

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative

Inspector General), 2-26 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

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

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one) is is not a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

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

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

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

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

Yes No

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

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

Does the Matter involve a City Property Sale?

Yes No

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

Name	Business Address	Nature of Interest
------	------------------	--------------------

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any-and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to

slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

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

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SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

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

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

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

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

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant? Yes No

.'1'

If "Yes," answer the three questions below:

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

Yes No

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

Yes No >

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

Yes No

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

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

The Disclosing Party certifies that the following information is true and correct:

The Disclosing Party understands and agrees that:

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

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

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

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

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

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

The Disclosing Party represents and warrants that:

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

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

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

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

CERTIFICATION

CERTIFICATION

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

Vermilion Development Harper Court. LLC (Print or type name of Disclosing Party)

(Sign here)

David Cocagne_

(Print or type name of person signing)

Manager_

(Print or type title of person signing)

Signed and sworn to before me on (date) V-/£-//

at dcoK_ County, ZLZI_(state).

Notary Public.

Commission expires:

/ I ' I * - / Z _

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

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

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

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

Yes No

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

has a familial relationship, and (4) the precise nature of such familial relationship.

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
SECTION I - GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable: Lake Park Associates, Inc. Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. % the Applicant

OR

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

OR

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

B. Business address of the Disclosing Party: S801 s. kUtk Awmnp, Snii-p fiiQ Chicago, IL 60637

C. Telephone: 773-702-1976 Fax: 773-702-0934 Email: rhrushPuchicago.edu

D. Name of contact person: Robert Rush

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

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

Tax Increment Financing & City land conveyance in connection \nlth <file:///nlth> the Harper Court project.

G. Which City agency or department is requesting this EDS? DHED

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

Specification # _ and Contract # _

Ver. 09-01-10

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SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

Person Limited liability company

Publicly registered business corporation Limited liability partnership Privately held business corporation Joint venture

Sole proprietorship Not-for-profit corporation

General partnership (Is the not-for-profit corporation also a 501(c)(3))? .

Limited partnership Yes No

Trust Other (please specify)

501 (c)(2) _

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

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

Yes No pq N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members', write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

NAME TITLE

Nimalan Chinnian President, Director
Beth A. Harris Vice President, Secretary, Director
James Hennessy Vice President, Treasurer, Director
Robert Rush Assistant Secretary
Kimberly Goff-Crews Director

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

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

Name Business Address Percentage Interest in the

Disclosing Party

The University of Chicago 5801 S. Ellis Avenue_100%__
Chicago, IL 60637

SECTION III - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

Yes No.

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

SECTION IV - DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. "Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

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

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Name (indicate whether Business retained or anticipated Address to be retained)

Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)

DT.A Piper

203 N. LaSalle St.

Attorneys

Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.

\$70,000.00 (estimated)

Chicago, IL

(Add sheets if necessary)

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

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

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

Disclosing Party.

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

compliance with that agreement?

Yes No

B. FURTHER CERTIFICATIONS

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

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

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

/

- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any' state, or any other unit of local government.

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

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

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

r

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in

- the United States of America, in that officer's or employee's official capacity;
 - b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 - c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
 - d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).
4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.
6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.
7. If the, Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

- 1. The Disclosing Party certifies that the Disclosing Party (check one) is is not a "financial institution" as defined in Section 2-32-45 5(b) of the Municipal Code.
- 2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges: "We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

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

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

- 1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?
 Yes No

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

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

Does the Matter involve a City Property Sale?

Yes No

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

Name Business Address Nature of Interest

N/A " "

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

f

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

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

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

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SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

N/A :_

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

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

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

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

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

)

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

[] Yes [] No

If "Yes," answer the three questions below:

~

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

Yes No

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

Yes No /

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

Yes No

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

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

The Disclosing Party understands and agrees that:

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

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

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

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

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

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

The Disclosing Party represents and warrants that:

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

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

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

certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.
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NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

(Print or type name of Disclosing Party)

By:

(Sign here)

Robert H. Rush

(Print or type name of person signing)

Assistant Secretary

(Print or type title of person signing)

Signed and sworn to before me on (date) /U^l SlcJ-O/ I , at Cook County, Illinois (state).

Commission expires: J T>Oj 1-ot⁴f

Notary Public.

OFFICIAL SEAL TAMBRAABBLACK NOTARY PUBUC -"STATE OF ILLINOIS MY COMMISSION EXPIRES:07/30/14

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7*5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

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

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

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

[] Yes [X] No

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

N/A.

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

SECTION I - GENERAL INFORMATION

City of Chicago Economic Disclosure Statement and Affidavit Form EDS-1 (11/14/10) - 11/11/11 - 11/11/11 - 11/11/11

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

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Take Park Associates, Inc.

OR

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

B. Business address of the Disclosing Party: Office of Legal Counsel

5801 S. Ellis Avenue, Suite 619

Chicago, IL 60637

C. Telephone: 773-702-7237 Fax: 773-702-0934 Email: rhrush@uchicago.edu <mailto:rhrush@uchicago.edu>

D. Name of contact person: Robert Rush

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

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

Tax Increment Financing & City land conveyance in connection with the Harper Court Project

G. Which City agency or department is requesting this EDS? DHED

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # and Contract #

Ver. 09-01-10

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SECTION II r- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

Person, Limited liability company

Publicly registered business corporation Limited liability partnership

Privately held business corporation Joint venture

Sole proprietorship Not-for-profit corporation

General partnership (Is the not-for-profit corporation also a 501(c)(3))?

Limited partnership (x1 Yes No

Trust Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable: Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes No LxIN/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party! NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

Robert J. Zimmer President

Beth A- Harris Vice President & General Counsel

David B. Fithian Vice President & Secretary

Nimalan Chinniah Vice President for Administration & CEO

(NO MEMBERS) (See Attachment A for list of Trustees and additional Executive Officers)

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation; partnership interest in a partnership or joint venture,

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interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name Business Address Percentage Interest in the Disclosing Party

None

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

N/A

SECTION IV - DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. "Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

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Name (indicate whether Business Relationship to Disclosing Party Fees (indicate whether retained or anticipated Address (subcontractor, attorney, paid or estimated.) NOTE:

to be retained) lobbyist, etc.) "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

!x! Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury,

dishonesty or deceit against an officer or employee of the City or any sister agency; and (11) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

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2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- *any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").* . .

Page 5 of 13

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is

barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below;

N/A ^

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one) [] is [X] is not a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A :

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to⁷ Items D.2. and D.3. If you checked "No" to Item D.1./proceed to Part E.

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2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[X] Yes [] No

3. If you checked "Yes" to Item D.L, provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name Business Address Nature of Interest

N/A

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an

attachment to this EDS all information required by paragraph 2. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies! The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

n/a : _

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SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No - A'

If you checked "No" to question 1. or 2. above, please provide an explanation:

SECTION VII - ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics <<http://www.cityofchicago.org/Ethics>>, and may also be obtained from the City's Board of Ethics, 740 N.

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Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F. 1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

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NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date, furnished to the City.

The University of Chicago_
(Print or type name of Disclosing Party)

Beth A. Harris_
(Print or type name of person signing)
Vice President & General Counsel
(Print or type title of person signing)

Signed and sworn to before me on (date) at Cook County, Illinois

OFFICIAL SEAL TAMBRAABLACK NOTARY PUBUC -STATE OF ILUNOIS MY COMMISSION EXPIRES07/30/14

Commission expires:_
(state). Notary Public.
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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A ,

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1 .a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority. '

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

N/A "

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