



# Office of the City Clerk

City Hall  
121 N. LaSalle St.  
Room 107  
Chicago, IL 60602  
www.chicityclerk.com

## Legislation Details (With Text)

**File #:** O2015-4205  
**Type:** Ordinance  
**File created:** 5/20/2015  
**Status:** Passed  
**In control:** City Council  
**Final action:** 10/28/2015  
**Title:** Repeal of prior agreement and execution of new Maple Park Marketplace Redevelopment Agreement with Preferred-Halsted LLC for construction of retail shopping center at 833-901 W 115th St  
**Sponsors:** Emanuel, Rahm  
**Indexes:** Miscellaneous  
**Attachments:** 1. O2015-4205.pdf

Date	Ver.	Action By	Action	Result
11/3/2015	1	City Council	Signed by Mayor	
10/28/2015	1	City Council	Passed	Pass
10/26/2015	1	Committee on Finance	Recommended to Pass	Pass
6/15/2015	1	Committee on Finance	Held in Committee	Pass
5/20/2015	1	City Council	Referred	

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

May 20, 2015

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

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith ordinance authorizing the execution of a Redevelopment Agreement with Maple Park Marketplace.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

**AN ORDINANCE OF THE CITY OF CHICAGO, ILLINOIS DESIGNATING  
PREFERRED-HALSTED, LLC AS DEVELOPER AND  
AUTHORIZING A REDEVELOPMENT AGREEMENT**

WHEREAS, pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on February 6, 2002 and published at pages 78512 to 78637 of the Journal of the Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (the "119th and Halsted Plan and Project") for the 119<sup>th</sup> and Halsted Redevelopment Project Area (the "119th and Halsted 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 February 6, 2002 and published at pages 78638 to 78648 of the Journal of such date, the 119th and Halsted Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on February 6, 2002 (the "119th and Halsted TIF Ordinance") and published at pages 78649 to 78658 of 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, incurred pursuant to the 119th and Halsted Plan and Project; and

WHEREAS, Preferred-Halsted, LLC, an Illinois limited liability company (the "Company"), acquired real property located within the 119<sup>th</sup> and Halsted Area commonly known as 833-901 West 115<sup>th</sup> Street, Chicago, Illinois 60643 (the "Site") to commence and complete construction on the Site of an approximately 59,611 square foot retail shopping center anchored by a 16,101 square foot Aldi grocery store and a 14,820 square foot Walgreen's pharmacy and also containing ten additional retail tenants in a total of 28,690 square feet of space (the "Project"); and

WHEREAS, the Company has proposed to undertake the Project in accordance with the 119<sup>th</sup> and Halsted Plan and Project and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Company and the City; and

WHEREAS, pursuant to Resolution 06-CDC-103 adopted by the Community Development Commission of the City of Chicago (the "Commission") on November 14, 2006, the Commission has recommended that the Company be designated as the developer for the Project and that the City's Department of Planning and Development ("DPD") be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Company for the Project; and

WHEREAS, pursuant to an ordinance adopted by the City Council on January 9, 2008 and published at pages 18241 to 18333 of the Journal of such date (the "Original RDA Ordinance"), the City Council authorized DPD to negotiate, execute and deliver on behalf of the City a

Maple Park Marketplace RDA FINAL

redevelopment agreement with the Company and to issue a taxable note to the Company for financing of the Project; and

WHEREAS, since adoption of the Original RDA Ordinance, significant changes were made to the scope, budget, timing and financing of the Project that resulted in the need for material changes to the redevelopment agreement authorized by the Original RDA Ordinance and a repeal of the authority to issue the taxable note; and

**WHEREAS, DPD seeks authorization from the City Council to negotiate, execute and deliver on behalf of the City another redevelopment agreement reflecting the significant changes to the Project; now, therefore,**

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

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

**SECTION 2. The Original RDA Ordinance is hereby repealed in its entirety.**

**SECTION 3. The Company is hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.**

**SECTION 4. The Commissioner of DPD (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 a redevelopment agreement between the Company and the City in substantially the form attached hereto as Exhibit A and made a part hereof (the "Redevelopment Agreement"), and such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement.**

**SECTION 5. 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 6. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.**

**SECTION 7. This ordinance shall be in full force and effect immediately upon its passage and approval.**

## Exhibit A to the Ordinance Form of Redevelopment Agreement

[see attached]

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

### **MAPLE PARK MARKETPLACE REDEVELOPMENT AGREEMENT**

This Maple Park Marketplace Redevelopment Agreement (this "Agreement") is made as of this       day of       , 2015, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Preferred-Halsted, LLC, an Illinois limited liability company (the "Developer").

#### RECITALS

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

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74 4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects

C. City Council Authority To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on February 6, 2002. (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 119<sup>th</sup> and Halsted Redevelopment Project Area" (the "Plan Adoption Ordinance"); (2) "An Ordinance of the City of Chicago, Illinois Designating the 119<sup>th</sup> and Halsted 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 119<sup>th</sup>

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and Halsted 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 Project: Developer has purchased (the "Acquisition") certain property located within the Redevelopment Area at 833-901 West 115<sup>th</sup> Street, Chicago, Illinois 60643 and legally described on Exhibit B hereto (the "Property"), and, within the time frames set forth in Section 3.01 hereof, shall commence and complete construction of an approximately 59,611 square foot retail shopping center (the "Facility") thereon anchored by a Walgreens and ALDI

grocery store (the "Anchor Stores") and at least four junior anchors located in in-line retail spaces.

The Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

The Project shall be completed in accordance with the Plans and Specifications, copies of which have been provided to DPD and which are a part of the Construction Contract. The Project has been processed as a Planned Development (#1016).

Previously, the seven-acre Property was improved with a vacant warehouse, a vacant bowling alley, and two storefronts along Halsted Street. The Project will be anchored by a 16,101 square foot Aldi grocery store and a 14,820 square foot Walgreen's pharmacy and also contain ten additional retail tenants in a total of 28,690 square feet of space. The Developer has signed letters of intent with Ashley Stewart, Fashion Sense, Simply Fashions and Downtown Locker Room and is negotiating with other potential tenants, including restaurant tenants. The Walgreen's was completed, opened and sold in November 2005. The Developer has agreed to sell the underlying parcel in the form of a buildable pad for the Aldi store to Aldi, with all subsequent construction of the building to be undertaken by Aldi. Two out lots on the Property will be available for future development.

The construction will include masonry buildings (on all sides) in two tones of face brick by Interstate brick The bronze stone and copper stone colors of the face brick will be accented by rock face Savanna Stone by Harvey Cement. Decorative medallions will accent the front of the building. Red standing seam awnings will cover all storefronts The Project will also include a 221 space parking lot and landscaping. The Project will include a green roof, in accordance with Section 8 23 below.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago 119<sup>th</sup> and Halsted Redevelopment Project Area Redevelopment Plan and Project (the "Redevelopment Plan") included in the Plan Adoption Ordinance published at pages 78512 - 78637 of the Journal of the Proceedings of the City Council, as amended

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

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

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## SECTION 1. RECITALS, HEADINGS AND EXHIBITS

The foregoing recitals are hereby incorporated into this Agreement by reference. The paragraph and section headings contained in this Agreement, including without limitation those set forth in the following table of contents, are for convenience only and are not intended to limit, vary, define or expand the content thereof. Developer agrees to comply with the requirements set forth in the following exhibits which are attached to and made a part of this Agreement. All provisions listed in the Exhibits have the same force and effect as if they had been listed in the body of this Agreement.

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## 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.

"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 Developer.

"Annual Compliance Report" shall mean a signed report from Developer to the City (a) itemizing each of Developer's obligations under the RDA during the preceding calendar year, (b) certifying Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d)

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certifying that Developer is not in default with respect to any provision of the RDA, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Operating 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); and  
5) compliance with all other executory provisions of the RDA.

"Available Incremental Taxes" shall mean an amount equal to ninety percent (90%) of the Incremental Taxes deposited in the TIF Fund attributable to the taxes levied on the Property for tax accrual years 2013-2020.

"Available Project Funds" shall have the meaning set forth for such term in Section 4.07  
hereof.

"Average Minimum Occupancy" shall have the meaning as set forth in Section 8.06 hereof.

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

"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.

"City Funds" shall mean the funds described in Section 4.03 hereof.

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

"Compliance Period" shall have the meaning as set forth in Section 8.06 hereof.

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

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

"Construction Contract" shall mean that certain contract entered into between Developer and Leducor Construction, Inc dated as of October , 2006, and providing for construction of the Project, as such contract has been amended or supplemented

"Corporation Counsel" shall mean the City's Department of Law.

"EDS" shall mean the City's Economic Disclosure Statement and Affidavit, on the City's then-current form, whether submitted in paper or via the City's online submission process

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

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"Employment Plan" shall have the meaning set forth in Section 5.12 hereof.

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

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

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

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

**"Financial Interest" shall have the meaning set forth for such term in Section 2-156-010 of the Municipal**

**Code.**

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

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

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

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

**"In Balance"** shall have the meaning set forth in Section 4.07 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 TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

**"Indemnatee"** and **"Indemnitees"** shall have the meanings set forth in Section 13 01 hereof.

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

**"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.

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

**"MBE/WBE Program"** shall have the meaning set forth in Section 10.03 hereof.

**"Municipal Code"** shall mean the Municipal Code of the City of Chicago, as amended from time to time.

**"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 Developer, the Property or the Project.

**"Occupancy Report"** shall have the meaning as set forth in Section 8.06 hereof.

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



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

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

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

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

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

"Property" shall have the meaning set forth in the Recitals 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

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"Reimbursement Event" shall mean an act or omission of by the Developer or its Affiliate resulting in an Event of Default relating to: (i) a material misrepresentation to the City related to the Project that the City relied upon (as reasonably determined by the City) in its decision to provide City Funds for the Project or to pay any such City Funds to the Developer; (ii) a fraudulent act or omission related to the Project; (iii) a misappropriation of funds from the uses set forth in the Project Budget resulting in the receipt by the Developer or its Affiliates of additional fees, commissions or compensation not disclosed in such Project Budget or otherwise approved in writing by DPD; (iv) any intentional or material waste to the Project improvements or any portion thereof; (v) any unapproved use of City Funds for payment or reimbursement of amounts other than costs of the TIF-Funded Improvements; (vi) a breach of the transfer and assignment restrictions contained in this Agreement; (vii) any material breach of the representations, warranties or covenants regarding environmental matters contained in this Agreement, as applicable; (viii) the occurrence of any material uninsured casualty event to any portion of the Project improvements unless the portion of the improvements damaged by such event is restored within a reasonable period of time; (ix) material misappropriation or misapplication of insurance proceeds or condemnation awards relating to the Project; (x) any material misrepresentation in any Economic Disclosure Statements and Affidavit submitted by the Developer or its Affiliates; (xi) any receipt of City Funds after the occurrence of an Event of Default, or the occurrence of an event which, if prompt notice of such event had been given, would have entitled the City to withhold, suspend, reduce or terminate the disbursement of such City Funds under this Agreement.

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

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

"Subordination Agreement" shall mean a subordination agreement substantially in the form attached hereto as Exhibit I, to be executed and recorded pursuant to Sections 5.04 and 8.18.

"Survey" shall mean a plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property, meeting the 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, effective February 23, 2011, dated within 75 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the later of. (a) December 31, 2022 or (b) 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 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

"TIF-Funded Improvements" shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (n) are eligible costs under the Redevelopment Plan and (iii) the

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City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. Exhibit C lists the TIF-Funded Improvements for the Project.

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

"Title Company" shall mean [ ].

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

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

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

### SECTION 3. THE PROJECT

**1 The Project. With respect to the Project, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.16 hereof: (i) commence construction no later than November 1, 2007; and (ii) complete construction and conduct business operations therein no later than November 30, 2008.**

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

authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than Eleven Million One Hundred Six Thousand One Hundred Ninety-Five Dollars and Seventy-Four Cents (\$11,106,195.74). Developer hereby certifies to the City that (a) the Lender Financing and Equity described in Section 4.02 hereof, shall be sufficient to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof

3.04 Change Orders Except as provided below in this Section 3.04, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Rehabilitation Project must be submitted by Developer to DPD concurrently with the progress reports described in Section 3.07 hereof, provided, that any Change Order relating to any of the following must be submitted by Developer to DPD for DPD's prior written approval: (a) a reduction in the gross or net square footage of the Facility by five percent (5%) or more (either

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individually or cumulatively); (b) a change in the use of the Facility to a use other than as described in Recital D to this Agreement; (c) a delay in the completion of the Project by six (6) months or more; or (d) Change Orders resulting in an aggregate increase to the Project Budget for the Project of ten percent (10%) or more. Developer 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 Developer of DPD's written approval (to the extent said City prior approval is required pursuant to the terms of this Agreement). 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 Developer. Notwithstanding anything to the contrary in this Section 3.04, Change Orders other than those set forth above do not require DPD's prior written approval as set forth in this Section 3.04, but DPD shall be notified in writing of all such Change Orders within 10 business days after the execution of such Change Order and Developer, in connection with such notice, shall identify to DPD the source of funding therefor.

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

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

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

**8 Inspecting Agent or Architect.** An independent agent or architect (other than Developer's architect)

approved by DPD shall be selected to act as the inspecting agent or architect, at Developer'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 DPD, prior to requests for disbursement for costs related to the Project hereunder.

3.09 Barricades Prior to commencing any construction requiring barricades, Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and regulations. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.10 Signs and Public Relations. Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has

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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 Developer, the Property and the Project in the City's promotional literature and communications.

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

12 Permit Fees. In connection with the Project, 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.

## SECTION 4. FINANCING

**4.01 Total Project Cost and Sources of Funds.** The cost of the Project is estimated to be \$11,106,195.74, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

**Equity (subject to Sections 4.03(b) and 4.06) Lender Financing Anchor Sales ESTIMATED TOTAL**  
**\$2,000,000.74 \$521,195 \$8,585,000 \$11,106,195.74**

**2 Developer Funds: Equity, Lender Financing and/or proceeds from the sales of the Anchor Stores shall be used to pay all Project costs, including but not limited to Redevelopment Project costs and costs of TIF-Funded Improvements.**

### **3 City Funds.**

a) Uses of City Funds. City Funds may only be used to pay directly or reimburse Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds shall not be paid to Developer hereunder prior to the issuance of a Certificate.

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

Improvements:

Source of City Funds

Maximum Amount

Available Incremental Taxes \$1,965,796.65

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of One Million Nine Hundred Sixty-Five Thousand Seven Hundred Ninety-Six Dollars and Sixty-Five Cents (\$1,965,796.65) or 17 7% of the actual total

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Project costs; and provided further, that the \$1,965,796.65 to be derived from Available Incremental Taxes, if any shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as:

- i) The amount of the Available Incremental Taxes deposited into the TIF Fund shall be sufficient to pay for such costs; and
- ii) The City has been reimbursed from Available Incremental Taxes for the amount previously disbursed by the City for TIF-Funded Improvements.

Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements up to a maximum of \$1,965,796.65 is contingent upon the fulfillment of the conditions set forth in parts (i) and (ii) above.

**(c) Subject to the terms and conditions of this Agreement, and after the delivery of each Requisition Form required by Section 4.04, payments shall be made in eight (8) installments (each an "Installment") to the Developer. The first Installment shall be made after the issuance of the initial Certificate and the additional seven (7) Installments shall be made annually thereafter following Developer's submission of a Requisition Form and an Annual Compliance Report in accordance with Sections 8.06 and 8.21. Each Installment shall be in an amount (with no more than one Installment paid to the Developer per calendar year) which is the lesser of (i) \$245,724.59 or (ii) 17.7% of the actual total Project costs divided by eight (8). Each Installment shall be paid only from the Available Incremental Taxes deposited in the TIF Fund during the previous calendar year, as follows:**

**Increment for Payment**

Installment 1 Installment 2 Installment 3 Installment 4 Installment 5 Installment 6 Installment 7 Installment 8  
(2015) (2016) (2017) (2018) (2019) (2020) (2021) (2022)

Increment Increment Increment Increment Increment Increment Increment Increment  
from taxable from taxable from taxable from taxable from taxable from taxable from taxable from taxable  
year 2013 year 2014 year 2015 year 2016 year 2017 year 2018 year 2019 year 2020  
collected collected collected collected collected collected collected collected  
in 2014 in 2015 in 2016 in,2017 in 2018 in 2019 in 2020 in 2021

If in any year the amount of Available Incremental Taxes collected is greater than the amount of the Installment to be paid the Developer pursuant to this Section 4 03(c), the surplus amount shall not be available to use for any past or future shortfalls of payments. If in any year the amount of Available Incremental Taxes collected is less than the amount of the Installment to be paid the Developer pursuant to this Section 4 03(c), then only the amount collected shall be paid and the Developer shall not be entitled to payment in future years for the shortfall.

4 04 Requisition Form Within thirty (30) days after the issuance of the Certificate and prior to each January 30 (or such other date as the parties may agree to) thereafter, continuing throughout the earlier of (i) the Term of the Agreement or (ii) the date that Developer has been reimbursed in full under this Agreement, Developer e-mail DPD a Requisition Form, along with the

documentation described therein, at the following address  
TIFMonitoringCompliance(g)cityofchicago.org Requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per calendar year (or as otherwise permitted)

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by DPD). Within thirty (30 days after the delivery of any Requisition Form, Developer shall meet with DPD at the request of DPD to discuss the Requisition Form(s) previously delivered.

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

6 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, Developer shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and of completing the Project.

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

a) **the total amount of the disbursement request represents the actual cost of the Acquisition or the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees;**

b) **all amounts shown as previous payments on the current disbursement request have been paid to the parties entitled to such payment;**

c) Developer has approved all work and materials for the current disbursement request, and such work and materials conform to the Plans and Specifications;

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

e) 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;

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

(g) the Project is In Balance The Project shall be deemed to be in balance ("In Balance") only if the total of the available Project funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project "Available Project Funds" as used herein shall mean (i) the undisbursed City Funds, (n) the undisbursed Lender Financing, if any (in) the undisbursed Equity and (iv) any other amounts

deposited by Developer pursuant to this Agreement. Developer hereby agrees that, if the Project is not In Balance, 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

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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 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 by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by Developer. In addition, Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements set forth in the TIF Ordinances and/or this Agreement.

**4.08 Conditional Grant.** The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed as provided for in this Agreement.

## SECTION 5. CONDITIONS PRECEDENT

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

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

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

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

5.04 **Financing.** Developer has furnished proof reasonably acceptable to the City that Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to the Subordination Agreement executed on or prior to the Closing Date, which is to be recorded, at the expense of Developer, with the Office of the Recorder of Deeds of Cook County.

5.05 **Acquisition and Title.** On the Closing Date, Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing Developer as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit D 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. Developer has provided to DPD, on or prior to the Closing Date, documentation related to the purchase of the Property and certified copies of all easements.

and encumbrances of record with respect to the Property not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title Developer, at its own expense, has provided the City with searches as indicated in the chart below under Developer's name showing no liens against Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens:

<b>Jurisdiction</b>	<b>Searches</b>
Secretary of State	UCC, Federal tax
Cook County Recorder	UCC, Fixtures, Federal tax, State tax, Memoranda of judgments
U.S. District Court	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

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

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

9 **Opinion of Developer's Counsel.** On the Closing Date, Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit G, with such changes as required by or acceptable to Corporation Counsel. If Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit G hereto, such opinions were obtained by Developer from its general corporate counsel.

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

11 **Financial Statements.** Developer has provided Financial Statements to DPD for its most recent fiscal year, and audited or unaudited interim financial statements.

12 **Documentation, Employment Plan.** The Developer has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters in connection with the construction or rehabilitation work on the Project, including the reports described in Section 8.07. At least thirty (30) days prior to the Closing Date, the Developer has met with the Workforce Solutions division of DPD to review employment opportunities with the Developer after construction or rehabilitation work on the Project is completed. On or before the Closing Date, Developer has provided to DPD, and DPD has approved, the Employment Plan for the Project (the "Employment Plan"). The Employment Plan includes, without limitation, the Developer's estimates of future job openings, titles, position descriptions, qualifications, recruiting, training, placement and such other information as DPD has requested relating to the Project.

5 13 **Environmental.** Developer has provided DPD with copies of that certain phase I environmental audit completed with respect to the Property, and any phase II environmental audit with respect to the Property required by the City. Developer has provided the City with a letter from



the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

14 Corporate Documents; Economic Disclosure Statement. Developer has provided a copy of its Articles of Organization containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and all other states in which Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; its operating agreement; and such other organizational documentation as the City has requested.

**Developer has provided to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Developer further will provide any other affidavits or certifications as may be required by federal, state or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference. Notwithstanding acceptance by the City of the EDS, failure of the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Developer and any other parties required by this Section 5.14 to complete an EDS must promptly update their EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate, including changes in ownership and changes in disclosures and information pertaining to ineligibility to do business with the City under Chapter 1 -23 of the Municipal Code, as such is required under Sec. 2-154-020, and failure to promptly provide the updated EDS(s) to the City will constitute an event of default under this Agreement.**

15 Litigation. Developer has provided to Corporation Counsel and DPD, a description of all pending or threatened litigation or administrative proceedings involving Developer, 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.

## **SECTION 6. AGREEMENTS WITH CONTRACTORS**

1 Bid Requirement for General Contractor and Subcontractors. Prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City of Chicago, and shall submit all bids received to DPD for its inspection and written approval. Developer shall submit copies of the Construction Contract and all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements to DPD. Developer 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 Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

2 Construction Contract Prior to the execution thereof, Developer shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above, for DPD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. Within ten (10) business days after execution of such contract by Developer, the General Contractor and any other parties thereto, Developer shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto

3 Performance and Payment Bonds. Prior to the commencement of any portion of the Project which includes work on the public way, Developer 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 approved by DPD. The City shall be named as obligee or co-obligee on any such bonds.

6.04 Employment Opportunity. Developer 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) [Note: confirm with DPD whether City residency requirements are to apply to each contract, or to the Project as a whole.] Section 10.03 (MBE/WBE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

## SECTION 7. COMPLETION OF CONSTRUCTION

**7.01 Certificate of Completion of Construction.** Upon completion of the construction of the Project in accordance with the terms of this Agreement, and upon Developer's written request, DPD shall issue to Developer a Certificate in recordable form certifying that Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. DPD shall respond to Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate 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 Developer in order to obtain the Certificate. Developer may resubmit a written request for a Certificate upon completion of such measures. The Certificate will not be issued until the following conditions have been met:

- a) **sale of sites for the Anchor Stores completed;**
- b) the Anchor Stores are fully occupied and conducting business;
- c) a combined minimum of 80% of the gross square footage of the Project has been sold to the Anchor Stores or leased;
- d) the Developer has notified the City in writing that the Project has been completed as it is defined in this Agreement;
- e) verification in writing by the City's Monitoring and Compliance Unit that the Developer is in full and complete compliance with the City's MBE/WBE, City residency and prevailing wage requirements, including payment of \$22,169 43 to the City for liquidated damages required by Section 10 02 for Developer's shortfall in City resident work hours;
- f) the Developer has satisfied all requirements and matters described in Section 8 23 of this Agreement, and
- g) the Developer has submitted adequate documentation of final Project costs to DPD.

**7 02 Effect of Issuance of Certificate, Continuing Obligations.** The Certificate relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the

Agreement specifically related to Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to

the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

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

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

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

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

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

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

## SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER.

8.01 General Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, that:

a) Developer is an Illinois limited liability company duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required,

b) Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement,

c) the execution, delivery and performance by Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its Articles of Organization or

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operating agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which Developer is now a party or by which Developer is now or may become bound;

d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property (and all

improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that Developer is contesting in good faith pursuant to Section 8.15 hereof);

e) Developer 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 Developer which would impair its ability to perform under this Agreement;**

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

**(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 Developer, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of Developer since the date of Developer's most recent Financial Statements;**

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

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

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

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(m) neither Developer nor any affiliate of Developer 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;

**(n) Developer understands that (i) the City Funds are limited obligations of the City, payable solely from moneys on deposit in the TIF Fund; (ii) the City Funds do not constitute indebtedness of the City within the meaning of any constitutional or statutory provision or limitation; (iii) such party will have no right to compel the exercise of any taxing power of the City for payment of the City Funds; and (iv) the City Funds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of the City, the State of Illinois or any political subdivision thereof;**

**(o) Developer has sufficient knowledge and experience in financial and business matters, including municipal projects and revenues of the kind represented by the City Funds, and has been supplied with access to information to be able to evaluate the risks associated with the receipt of City Funds;**

**(p) such party understands that there is no assurance as to the amount or timing of receipt of City Funds, and that the amounts of City Funds actually received by such party may be substantially less than the maximum amounts set forth in Section 4.03(b);**

**(q) Developer understands it may not sell, assign, pledge or otherwise transfer its interest in this Agreement or City Funds in whole or in part except in accordance with the terms of Section 18.21 of this Agreement, and, to the fullest extent permitted by law, agrees to indemnify the City for any losses, claims, damages or expenses relating to or based upon any sale, assignment, pledge or transfer of City Funds in violation of this Agreement; and**

**(r) Developer acknowledges that with respect to City Funds, the City has no obligation to provide any continuing disclosure to the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board, to any holder of a note relating to City Funds or any other person under Rule 15c2-12 of the Commission promulgated under the Securities Exchange Act of 1934 or otherwise, and shall have no liability with respect thereto**

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

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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 with respect thereto.

3 **Redevelopment Plan.** Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan, which is hereby incorporated by reference into this Agreement.

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

5 [intentionally omitted]

6 **Continuing Operations and Occupancy.** Developer shall maintain an average minimum occupancy (the "Average Minimum Occupancy") of not less than eighty percent (80%) of the net leaseable square footage of the Project from the date the Certificate is issued until December 31 of that year and for every successive calendar year thereafter until all City Funds have been paid hereunder (each a "Compliance Period"). Developer

shall include information and documentation regarding its compliance with the Average Minimum Occupancy, including a list of tenants, their businesses and the number of employees, in the Annual Compliance Report. The Average Minimum Occupancy reported in any Annual Compliance Report refers to calculations of average occupancy at the Property during the prior calendar year (or from the date of the Certificate for the first Compliance Period). Developer shall cause the Property to be used as in accordance with this Agreement and the Redevelopment Plan. Developer covenants and agrees to operate the Property as a retail shopping center for the entire Term of the Agreement. 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.

7 Employment Opportunity. Developer 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. Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City when the Project is 25%, 50%, 70% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which Developer shall correct any shortfall.

8.08 Employment Profile. Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to DPD, from time to time, statements of its employment profile upon DPD's request.

8.09 Prevailing Wage. Developer 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, Developer shall provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 8.09.

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10 Arms-Length Transactions. Unless DPD has given its prior written consent with respect thereto, no Affiliate of 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. Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by Developer and reimbursement to Developer for such costs using City Funds, or otherwise), upon DPD's request, prior to any such disbursement.

11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, Developer represents, warrants and covenants that, 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 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 Developer's business, the Property or any other property in the Redevelopment Area.

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

13 Financial Statements. Developer shall obtain and provide to DPD Financial Statements for Developer's fiscal year ended 2013 and each year thereafter until the earlier of the Term of the Agreement or the year in which the

final Installment of City Funds is paid to Developer. In addition, Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

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

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

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or

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

8.16 Developer's Liabilities. 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 Developer to any other person or entity. Developer shall immediately notify DPD of any and all events or actions which may materially affect Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

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

**18 Recording and Filing. 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. If this Agreement cannot be recorded prior to any mortgage made in connection with Lender Financing, the Subordination Agreement must be executed and recorded. Developer shall pay all fees and charges incurred in connection with the recording of this Agreement and the Subordination Agreement. Upon recording, Developer shall immediately transmit to the City an executed original of both documents showing the date and recording**

number(s) of record.

8.19 Real Estate Provisions.

(a) Governmental Charges

i) Payment of Governmental Charges. Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Developer, the Property or the Project, or become due and payable, and which create or may create a lien upon Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to Developer, the Property or the Project including but not limited to real estate taxes.

ii) Right to Contest Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property Developer's right to challenge

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real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

i) Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by 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

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

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



(c) Real Estate Taxes.

i) No Objections. Neither Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to Developer, shall object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Underassessment Complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Underassessment Complaint" as used in this Agreement shall mean any complaint seeking to increase the assessed value of the Property.

ii) Covenants Running with the Land The parties agree that the restrictions contained in this Section 8 19(c) are covenants running with the land and this Agreement shall be recorded by Developer as a memorandum thereof, at Developer's expense, with the Cook County Recorder of Deeds on the Closing Date These restrictions shall be binding upon Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenants shall be

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released when the Redevelopment Area is no longer in effect. Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such ■ covenants and restrictions. Notwithstanding anything contained in this Section 8.19(c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of Developer, its successors or assigns, may waive and terminate Developer's covenants and agreements set forth in this Section 8.19(c).

20 Survival of Covenants. All warranties, representations, covenants and agreements of Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of 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) shall be in effect throughout the Term of the Agreement.

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

**22 Inspector General. It is the duty of Developer and the duty of any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all of Developer's officers, directors, agents, partners, and employees and any such bidder, proposer, contractor, subcontractor or such applicant: (a) to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code and (b) to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to Chapter 2-55 of the Municipal Code. Developer represents that it understands and will abide by all provisions of Chapters 2-56 and 2-55 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.**

23 Green Roof and Other Environmental Requirements. Buildings in the Project with a footprint of 10,000 square feet or more shall either (a) include a green roof on 75% of all flat roof surfaces and an Energy Star-rated surface on the remainder or (b) include a green roof on 50% of all flat roof surfaces and an Energy Star-rated surface on the remainder. Buildings in the Project with a footprint of less than 10,000 square feet shall either (a) include a green roof on 25% of all flat surfaces; or (b) install Energy Star-rated surface on all flat roof areas. The green roof square footage requirement may be divided among the roof areas of all the buildings in the Project, as long as the total required green roof square footage is met at the completion of the Project. All green roof plans must be approved by DPD. Developer is strongly encouraged to use stormwater "best management practices," such as natural landscaping, permeable paving, drainage swales, and naturalized detention basins, that limit the amount of stormwater entering the City's sewer system.

## 24 FOIA and Local Records Act Compliance

(a) FOIA The Developer acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq., as amended ("FOIA") The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If the Developer receives a request from the City to produce records within the scope of FOIA. then the Developer covenants to comply with such request within 48 hours of the date of such request Failure by the Developer to timely comply with such request shall be an Event of Default

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b) Exempt Information. Documents that the Developer submits to the City under Section 8.21, (Annual Compliance Report) or otherwise during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by the Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer mark any such documents as "proprietary, privileged or confidential." If the Developer marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

c) **Local Records Act.** The Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act

**25 Job Readiness Program.** Developer shall undertake a job readiness program, as described in Exhibit J hereto, to work with the City, through DPD's Workforce Solutions Division, to participate in job training programs to provide job applicants for the jobs created by the Project and the operation of Developer's business on the Property.

**26 Survival of Covenants.** All warranties, representations, covenants and agreements of Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of 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.

## **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.

## **SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS**

**10.01 Employment Opportunity.** Developer, 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 Developer operating on the Property (collectively, with Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Developer 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

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orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

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

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

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

f) Failure to comply with the employment obligations described in this Section 10.01 shall be a basis for the City to pursue remedies under the provisions of Section 15 02 hereof.

10 02 City Resident Construction Worker Employment Requirement. Developer 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 (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, Developer, its General Contractor and each subcontractor shall be

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required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

Developer 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 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.

Developer, 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 DPD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.**

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

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

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prosecution. Any retainage to cover contract performance that may become due to Developer pursuant to Section 2-92-250 of the Municipal Code may be withheld by the City pending the Chief Procurement Officer's determination as to whether Developer 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.

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

**10.03. MBE/WBE Commitment. Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the General Contractor to agree that during the 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 (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, [and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit E-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, Developer (and any party to whom a contract is let by Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code, Developer's

MBE/WBE commitment may be achieved in part by Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the 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 Developer's MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code, Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD

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d) Developer shall deliver quarterly reports to the City's monitoring staff during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the 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 Developer's compliance with this MBE/WBE commitment. Developer 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 Developer, on five Business Days' notice, to allow the City to review Developer's compliance with its commitment to MBE/WBE 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, Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code, as applicable.**

**f) Any reduction or waiver of Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code, as applicable.**

g) Prior to the commencement of the Project, Developer shall be required to meet with the City's monitoring staff with regard to Developer'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, Developer 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, Developer shall submit the documentation required by this 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 MBE/WBE 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 Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to Developer to halt the Project, (2) withhold any further payment of any City Funds to Developer or the General Contractor, or (3) seek any other remedies against Developer available at law or in equity.

## SECTION 11. ENVIRONMENTAL MATTERS

Developer hereby represents and warrants to the City that Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, [the Bond Ordinance] and the Redevelopment Plan.

Without limiting any other provisions hereof, Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which Developer, or any person directly or indirectly controlling, controlled by or under common control with Developer, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or Developer or any of its Affiliates under any Environmental Laws relating to the Property.

## SECTION 12. INSURANCE

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

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

i) Workers Compensation and Employers Liability

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

ii) Commercial General Liability (Primary and Umbrella)

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

(in) All Risk Property

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

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

i) Workers Compensation and Employers Liability

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

ii) **Commercial General Liability (Primary and Umbrella)**

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

iii) **Automobile Liability (Primary and Umbrella)**

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

iv) Railroad Protective Liability

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

v) All Risk /Builders Risk

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

vi) Professional Liability



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

vii) Valuable Papers

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

viii) Contractors Pollution Liability

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

c) **Post Construction:**

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

d) Other Requirements:

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

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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 Developer and Contractors.

Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City

of Chicago, its employees, elected officials, agents, or representatives.

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

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

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

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

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

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

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

#### SECTION 13. INDEMNIFICATION

13 01 General Indemnity. Developer 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) Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

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

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

**provided, however, that Developer 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, Developer 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. Developer 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 Developer'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 Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at Developer's expense. Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by Developer with respect to the Project

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

#### **SECTION 15. DEFAULT AND REMEDIES**

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

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

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

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

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

e) the commencement of any proceedings in bankruptcy by or against Developer or for the liquidation or reorganization of Developer, or alleging that Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving Developer; provided, however, that if such commencement of proceedings is

involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

f) the appointment of a receiver or trustee for Developer, for any substantial part of Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;

g) the entry of any judgment or order against Developer 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, which default is not cured within any applicable cure period;

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

interest in Developer;

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

(k) prior to the expiration of the Term of the Agreement, the sale or transfer of a majority of the ownership interests of Developer without the prior written consent of the City;

(l) The failure of Developer, or the failure by any party that is a Controlling Person (defined in Section 1-23-010 of the Municipal Code) with respect to Developer, to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code, such failure shall render this Agreement voidable or subject to termination, at the option of the Chief Procurement Officer or

(m) the occurrence of any Reimbursement Event

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For purposes of Sections 15.01 (i) and 15.01 (j) hereof, a person with a material interest in Developer shall be one owning in excess of ten (10%) of Developer's membership interests.

2 Remedies Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein or repayment of all or part of the City Funds paid to Developer. Notwithstanding anything herein to the contrary, the Developer shall not be obligated to repay any or all of the City Funds disbursed to Developer except as provided in Section 15.04.

3 Curative Period. In the event Developer shall fail to perform a monetary covenant which 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 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 Developer shall fail to perform a non-monetary covenant which 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 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, 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.

#### 4 Occupancy Default.

Notwithstanding any other provision in this Agreement to the contrary, the following provisions shall apply in regard to default and remedies related to the occupancy requirements of Section 8.06:

a) While subject to the occupancy requirements of Section 8.06, if the Developer shall fail to (1) submit an Annual Compliance Report for any Compliance Period, or (2) maintain the Average Minimum Occupancy for a Compliance Period (each an "Occupancy Default"), then Developer shall receive no payment for such Compliance Period.

b) In the event there is an Occupancy Default, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred, unless the Developer i) has failed to cure the Occupancy Default within one (1) year of the date the City is due its Annual Compliance Report specifying such default (the "Receipt Date," which is the same as the date the Requisition Form is due), such period to be defined as the "Minimum Cure Period", or ii) has cured a previous Occupancy Default within the Maximum Cure Period (defined herein), provided, however, if an Occupancy Default described in subpart (i) is not cured within the Minimum Cure 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 the Minimum Cure Period and thereafter cures such default within two (2) years of the related Receipt Date, provided, further, that through the Term of the Agreement the Developer will be allowed a maximum of two (2) years to cure an Occupancy Default or such other time period as approved by the Commissioner of DPD in

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her/his sole discretion (the "Maximum Cure Period").

c) If the Developer submits an Annual Compliance Report which describes an Occupancy Default, except that the Developer has maintained the Average Minimum Occupancy in the thirty (30) days preceding the Receipt Date and the Developer has provided the City with evidence that it has contracted for the Average Minimum Occupancy for the following year, then the Developer will not be deemed to have incurred an Occupancy Default in relation to such Occupancy Report.

d) If the Developer has cured all Occupancy Defaults, the Developer shall continue to deliver Annual Compliance Reports and maintain the Average Minimum Occupancy for the number of years for which the Developer did not report maintaining the Average Minimum Occupancy.

#### e) Occupancy Remedies.

i) Upon the occurrence of an Event of Default pursuant to an Occupancy Default under section (b), the City may terminate this Agreement and all related agreements, and suspend disbursement of City Funds. Further, if an uncured Occupancy Default occurs within three (3) years of Certificate issuance, the Developer is obligated to pay back to the City all funds disbursed to the Developer. The City, may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

ii) Upon the occurrence of an Occupancy Default, the City may suspend disbursement of payments due under this Agreement until the Developer has complied with the occupancy covenants in Section 8.06. The City is not obligated to set aside, for future payments to the Developer, project increment that the City otherwise would have paid during such years.

## **SECTION 16. MORTGAGING OF THE PROJECT**

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on Exhibit D hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "Existing Mortgages." Any mortgage or deed of trust that Developer 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 Developer 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 Developer as follows

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

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(b) In the event that any mortgagee shall succeed to Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "Developer" hereunder [Note: in a transaction where a City Note is issued, confirm with DPD whether the assignee can receive payments under the City Note without additional City consent], 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 Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of Developer which accrued prior to the time such party succeeded to the interest of Developer under this Agreement, in which case Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of Developer'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 Developer of a Certificate pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD.

## SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested. In addition, notices to be given to the City shall also be e-mailed to [TIFMonitoringCompliance@cityofchicago.org](mailto:TIFMonitoringCompliance@cityofchicago.org) <<mailto:TIFMonitoringCompliance@cityofchicago.org>>.

<b>If to the City</b> City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention Commissioner	<b>If to Developer:</b> Preferred-Halsted, LLC 141 West Jackson, Suite 3632 Chicago, Illinois 60604 Attention: Evan Oliff
With Copies To-City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention Finance and Economic Development Division	With Copies To: Fisher Cohen Waldman Shapiro LLP 1247 Waukegan Road, Suite 100 Glenview, Illinois 60025 Attention: Mark Lenz

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

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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

1 **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 the Redevelopment Plan without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than ninety (90) days.

2 **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.

3 **Limitation of Liability.** No member, official or employee of the City shall be personally liable to 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 Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

4 **Further Assurances.** 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.

5 **Waiver.** Waiver by the City or 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 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.

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

18 07 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

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8 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.

9 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.

10 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances, such ordinances shall prevail and control.

11 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.

12 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.

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

14 Assignment. 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. Any successor in interest to 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 Sections 8.19 Real Estate Provisions and 8.23 (Survival of Covenants) hereof, for the Term of the Agreement. Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

18 15 Binding Effect. This Agreement shall be binding upon Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of 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 permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

18.16 Force Majeure. Neither the City nor Developer 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 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

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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.

17 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if Developer is required to provide notice under the WARN Act, Developer 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 Developer has locations in the State. Failure by Developer 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 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.**

**19 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer 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. Developer also will pay any court costs, in addition to all other sums provided by law.**

20 Business Relationships. Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (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 that creates a "Financial Interest" (as defined in Section 2-156-010 of the Municipal Code)(a "Financial Interest"), 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 that creates a Financial Interest, or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a business relationship that creates a Financial Interest, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. 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 21 Shakman Accord Provisions

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

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

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

d) In the event of any communication to the Developer by a City employee or City official in violation of paragraph (b) above, or advocating a violation of paragraph (c) above, the Developer will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the Department. The Developer will also cooperate with any inquiries by IGO Hiring Oversight related to this Agreement.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK ]

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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.

**PREFERRED-HALSTED, LLC**  
an Illinois limited liability company

**By:**

**Its:**

**CITY OF CHICAGO**

**By:**

**Andrew J. Mooney, Commissioner Department of Planning  
and Development**

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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 Preferred-Halsted, LLC, an Illinois limited liability (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 members of Developer, as his/her free and voluntary act and as the free  
and voluntary act of Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Notary Public

My Commission Expires.

(SEAL)

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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 Andrew J. Mooney, personally known to me to be the Commissioner of the  
Department of Planning and 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 signed, sealed, and delivered said instrument pursuant to the authority given to him by the City, as his free and  
voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Notary Public

My Commission Expires

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EXHIBIT A REDEVELOPMENT AREA [see attached]

**LEGAL DESCRIPTION OF THE 119<sup>TH</sup> AND HALSTED  
REDEVELOPMENT PROJECT AREA**

ALL THAT PART OF SECTIONS 20, 21, 28 (NORTH OF THE INDIAN BOUNDARY LINE) AND 29 IN TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTER LINE OF 115th ST. WITH THE CENTER LINE OF MORGAN ST.;

. THENCE SOUTH ALONG SAID CENTER LINE OF MORGAN ST. TO THE WESTERLY EXTENSION OF A LINE 8 FEET NORTH OF AND PARALLEL WITH THE NORTH LINE OF LOT 1 DM MAPLE PARK COURT RESUBDIVISION OF PART OF STANLEY MATHEWS SUBDIVISION IN THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID LINE BEING ALSO THE CENTER LINE OF THE 16 FOOT ALLEY LYING NORTH OF AND ADJOINING SAID LOT I IN MAPLE PARK COURT RESUBDIVISION;

THENCE EAST ALONG SAID EASTERLY EXTENSION AND ALONG THE LINE 8 FEET NORTH OF AND PARALLEL WITH THE NORTH LINE OF LOT 1 IN MAPLE PARK COURT RESUBDIVISION AND ALONG THE EASTERLY EXTENSION THEREOF TO THE WESTERLY LINE OF THE PENN CENTRAL RAIL ROAD RIGHT OF WAY;

THENCE SOUTHEASTERLY ALONG SAID WESTERLY LINE OF THE PENN CENTRAL RAIL ROAD RIGHT OF WAY TO THE CENTER LINE OF 117th ST.;

THENCE WEST ALONG SAID CENTER LINE OF 117th ST. TO THE NORTHERLY EXTENSION OF THE CENTER LINE OF THE 16 FOOT ALLEY LYING EAST AND ADJOINING THE EAST LINE OF LOTS 12 THROUGH 35, INCLUSIVE, IN BLOCK 1 IN THE RESUBDIVISION OF THE EAST HALF OF ORIGINAL BLOCKS 8 AND 11 AND ALL OF THAT PART OF BLOCK 7, LYING WEST OF THE P. C. C. & SL L. R. R. IN ORIGINAL SUBDIVISION OF THE EAST ILALF OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND ALONG SAID CENTER LINE OF THE 16 FOOT ALLEY AND ALONG THE SOUTHERLY EXTENSION THEREOF TO THE CENTER LINE OF 118th ST.;

THENCE EAST ALONG SAID CENTER LINE OF 118th ST. TO THE NORTHERLY EXTENSION OF THE EAST LINE OF THE ALLEY LYING EAST OF AND ADJOINING

THE EAST LINE OF LOTS 1 THROUGH 15, INCLUSIVE, IN BLOCK 2 EN SAID RESUBDIVISION OF THE EAST HALF OF ORIGINAL BLOCKS 8 AND 11 AND ALL OF THAT PART OF BLOCK 7, LYING WEST OF THE P. C. C. & St. L R. R. IN ORIGINAL SUBDIVISION OF THE EAST HALF OF THE

SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND ALONG THE EAST LINE OF THE ALLEY LYING EAST OF AND ADJOINING THE EAST LINE OF LOTS 1 THROUGH 15, INCLUSIVE, IN BLOCK 2 DM SAID RESUBDIVISION AND ALONG THE SOUTHERLY EXTENSION THEREOF TO THE CENTER LINE OF THE ALLEY LYING SOUTH OF AND ADJOINING THE SOUTH LINE OF LOT 15 DM SAID BLOCK 2 DM THE RESUBDIVISION OF THE EAST HALF OF ORIGINAL BLOCKS 8 AND 11 AND ALL OF THAT PART OF BLOCK 7, LYING WEST OF THE P. C. C. & St. L. R. R. DM ORIGINAL SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG THE CENTER LINE OF SAID ALLEY LYING SOUTH OF AND ADJOINING THE SOUTH LDME OF LOT 15 DM BLOCK 2 DM SAID RESUBDIVISION TO THE EAST LDME OF PEORIA ST.;

THENCE WEST ALONG A STRAIGHT LDME TO THE POINT OF INTERSECTION OF THE WEST LDME OF PEORIA ST. WITH THE CENTER LDME OF THE ALLEY LYING SOUTH OF AND ADJOINING THE SOUTH LDME OF LOTS 29 AND 18 DM BLOCK 4 DM THE RESUBDIVISION OF THE WEST HALF OF BLOCKS 8 & 11 AND ALL OF BLOCKS 9 & 10, EXCEPT LOTS 19, 22, AND 23 OF BLOCK 10 OF THE ORIGINAL SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG THE CENTER LINE OF THE ALLEY LYING SOUTH OF AND ADJOINING THE SOUTH LDME OF LOTS 29 AND 18 DM BLOCK 4 IN SAID RESUBDIVISION AND THE WESTERLY EXTENSION THEREOF TO THE CENTER LDME OF SANGAMON ST.;

THENCE NORTH ALONG SAID CENTER LINE OF SANGAMON ST. TO THE EASTERLY EXTENSION OF THE CENTER LINE OF THE ALLEY LYING NORTH OF AND ADJOINING THE NORTH LDME OF LOTS 19, 20 AND 21 IN BLOCK 3 DM SAID RESUBDIVISION OF THE WEST HALF OF BLOCKS 8 & 11 AND ALL OF BLOCKS 9 & 10, EXCEPT LOTS 19, 22, AND 23 OF BLOCK 10 OF THE ORIGINAL SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID CENTER LINE OF THE ALLEY LYING NORTH OF AND ADJOINING THE NORTH LINE OF LOTS 19, 20 AND, 21 IN BLOCK 3 IN SAID RESUBDIVISION TO THE NORTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 21 IN BLOCK 3 IN SAID RESUBDIVISION-,

THENCE NORTH ALONG SAID NORTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 21 TO THE SOUTH LINE OF LOT 18 IN BLOCK 3 IN SAID RESUBDIVISION;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 18 AND ALONG THE WESTERLY EXTENSION THEREOF AND ALONG THE SOUTH LINE OF LOT 22 IN BLOCK 3 IN SAID RESUBDIVISION TO THE EAST LINE OF MORGAN ST.;

THENCE SOUTH ALONG SAID EAST LINE OF MORGAN ST, TO THE NORTH LINE OF 119th ST.;



THENCE EAST ALONG SAID NORTH LINE OF 119th ST. TO THE EAST LINE OF . PEORIA ST.;

THENCE SOUTH ALONG SAID EAST LINE PEORIA ST. TO THE WESTERLY EXTENSION OF THE NORTHERLY LINE OF LOT 1 IN BLOCK 1 OF FIRST ADDITION OF WEST PULLMAN SUBDIVISION;

THENCE EASTERLY ALONG SAID WESTERLY EXTENSION OF THE NORTHERLY LINE OF LOT 1 IN BLOCK 1 OF FIRST ADDITION OF WEST PULLMAN SUBDIVISION TO THE NORTHWEST CORNER OF SAID LOT 1;

THENCE SOUTHERLY ALONG THE WESTERLY LINE OF LOTS 1 THROUGH 11, INCLUSIVE, IN SAID BLOCK 1 OF FIRST ADDITION OF WEST PULLMAN SUBDIVISION TO THE NORTH LINE OF 120th ST.;

THENCE SOUTHERLY TO THE NORTHWEST CORNER OF LOT 1 IN BLOCK 8 OF SAID FIRST ADDITION TO WEST PULLMAN SUBDIVISION;

THENCE SOUTHERLY ALONG THE WESTERLY LINE OF LOTS 1 THROUGH 18, INCLUSIVE, IN SAID BLOCK 8 TO THE SOUTHWEST CORNER OF SAID LOT 18;

THENCE SOUTHERLY A DISTANCE OF 25.00 FEET ALONG THE PROLONGATION OF THE LAST DESCRIBED COURSE;

THENCE 165 FEET, MORE OR LESS, WESTERLY TO THE EAST LINE OF VACATED GREEN ST.;

THENCE SOUTHERLY ALONG SAID EAST LINE OF VACATED GREEN ST. TO THE NORTHERLY RIGHT-OF-WAY LINE OF ILLINOIS CENTRAL RAILROAD;

THENCE WEST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF ILLINOIS CENTRAL RAILROAD TO THE EAST LINE OF PEORIA ST.;

THENCE SOUTH ALONG SAID EAST LINE OF PEORIA ST. TO THE SOUTHERLY RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD;

THENCE EAST ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD TO THE NORTHWEST CORNER OF LOT 1 IN BLOCK 9 OF FIRST ADDITION TO WEST PULLMAN SUBDIVISION;

THENCE SOUTH ALONG THE WESTERLY LINE OF LOTS 1 THROUGH 12 TO THE EASTERLY EXTENSION OF THE SOUTHERLY LINE OF LOT 11 IN BLOCK 1 OF THE RESUBDIVISION OF BLOCK 9 TO 16, INCLUSIVE, OF SAID FIRST ADDITION TO WEST PULLMAN SUBDIVISION;

THENCE WEST ALONG SAID EASTERLY EXTENSION OF THE SOUTHERLY LINE OF LOT 11 IN BLOCK 1 IN SAID RESUBDIVISION, A DISTANCE OF 8 FEET, TO THE CENTER LINE OF THE ALLEY LYING WEST OF AND PARALLEL WITH HALSTED ST., SAID ALLEY BEING ALSO EAST

OF AND ADJOINING SAID LOT 11;

THENCE SOUTH ALONG SAID CENTER LINE OF THE ALLEY LYING WEST OF AND PARALLEL WITH HALSTED ST. TO THE CENTER LINE OF 123rd ST.;

THENCE EAST ALONG SAID CENTER LINE OF 123rd ST TO THE CENTERLINE OF EMERALD ST.;

THENCE NORTH ALONG SAID CENTER LINE OF EMERALD ST. TO THE CENTER LINE OF 122nd ST.;

THENCE EAST ALONG SAID CENTER LINE OF 122nd ST. TO THE WESTERLY LINE OF THE RIGHT OF WAY OF THE PENN CENTRAL RAIL ROAD;

THENCE SOUTHEASTERLY ALONG SAID WESTERLY LINE OF THE RIGHT OF WAY OF THE PENN CENTRAL RAIL ROAD TO THE CENTER LINE OF 123rd ST;

THENCE EAST ALONG SAID CENTER LINE OF 123rd ST. TO THE EASTERLY LINE OF THE RIGHT OF WAY OF THE PENN CENTRAL RAIL ROAD;

THENCE NORTHWESTERLY ALONG SAID EASTERLY LINE OF THE RIGHT OF WAY OF THE PENN CENTRAL RAIL ROAD TO THE SOUTHERLY EXTENSION OF THE CENTER LINE OF THE ALLEY WEST OF AND PARALLEL WITH LOWE AVE., SAID ALLEY BEING ALSO WEST OF AND ADJOINING THE WEST LINE OF LOTS 1 THROUGH 22 IN BLOCK 34 IN WEST PULLMAN, A SUBDIVISION IN THE WEST HALF OF THE NORTHEAST QUARTER AND THE NORTHWEST QUARTER OF SECTION 28, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG SAID CENTER LINE OF THE ALLEY WEST OF AND PARALLEL WITH LOWE AVE. TO THE SOUTH LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD;

thence east along said south line of the right of way of the illinois central railroad to the east line of the east half of the northwest quarter of section 28, township 37 north, range 14 east of the third principal meridian, said east line of the east half of the northwest quarter of section 28 being also the center line of south stewart avenue;

thence north along said center line of south stewart avenue to the north line of the right of way of the illinois central railroad;

thence west along said north line of the right of way of the illinois central railroad to the center line of lowe ave.;

**thence North along said center line of lowe ave. to the westerly extension of the south line of lot 37 in block 16 in said west PULLMAN;**

THENCE EAST ALONG SAID WESTERLY EXTENSION AND ALONG THE SOUTH LINE OF LOT 37 AND ALONG THE EASTERLY EXTENSION THEREOF TO THE CENTER LINE OF THE ALLEY EAST OF AND PARALLEL WITH LOWE AVE., SAID ALLEY BEING ALSO EAST OF AND ADJOINING SAID LOT 37;

THENCE NORTH ALONG SAID CENTER LINE OF THE ALLEY EAST OF AND PARALLEL WITH LOWE AVE. TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 7 IN SAID BLOCK 16 IN WEST PULLMAN;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND ALONG THE SOUTH LINE OF LOT 7 IN SAID BLOCK 16 IN WEST PULLMAN TO THE WEST LINE OF WALLACE ST.;

THENCE EAST ALONG A STRAIGHT LINE TO THE SOUTHWEST CORNER OF LOT 40 IN BLOCK 17 IN SAID WEST PULLMAN;

THENCE EAST ALONG THE SOUTH LINE OF SAID LOT 40 IN BLOCK 17 IN WEST PULLMAN AND ALONG THE EASTERLY EXTENSION THEREOF AND ALONG THE SOUTH LINE OF LOT 7 IN SAID BLOCK 17 IN WEST PULLMAN AND ALONG THE EASTERLY EXTENSION THEREOF TO THE CENTER LINE OF PARNELL AVE.;

THENCE SOUTH ALONG SAID CENTER LINE OF PARNELL AVE. TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF THE NORTH 12.5 FEET OF LOT 38 IN BLOCK 18 IN SAID WEST PULLMAN;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND ALONG THE SOUTH LINE OF THE NORTH 3 2.5 FEET OF LOT 38 IN BLOCK 18 IN SAID WEST

PULLMAN AND THE EASTERLY EXTENSION THEREOF TO THE CENTER LINE OF THE ALLEY EAST OF AND PARALLEL WITH PARNELL AVE., SAID ALLEY BEING ALSO EAST OF AND ADJOINING SAID LOT 38;

THENCE NORTH ALONG SAID CENTER LINE OF THE ALLEY EAST OF AND PARALLEL WITH PARNELL AVE. TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 6 IN SAID BLOCK 18 IN WEST PULLMAN;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND ALONG THE SOUTH LINE OF SAID LOT 6 IN BLOCK 18 IN WEST PULLMAN, AND ALONG THE EASTERLY EXTENSION THEREOF, TO THE CENTER LINE OF NORMAL AVE.;

THENCE NORTH ALONG SAID CENTER LINE OF NORMAL AVE. TO THE WESTERLY EXTENSION OF THE CENTER LINE OF THE ALLEY SOUTH OF AND PARALLEL WITH 119th ST. IN BLOCK 6 IN WEST PULLMAN, SAID ALLEY BEING ALSO SOUTH OF AND ADJOINING THE SOUTH LINE OF LOTS 1 THROUGH 10, INCLUSIVE, IN THE RESUBDIVISION OF THAT PART OF WEST PULLMAN LYING IN THE NORTHWEST QUARTER OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID CENTER LINE OF THE ALLEY SOUTH OF AND PARALLEL WITH 119th ST. TO THE CENTER LINE OF WENTWORTH AVE.;

THENCE NORTH ALONG SAID CENTER LINE OF WENTWORTH AVE. TO THE EASTERLY EXTENSION OF THE CENTER LINE OF THE ALLEY NORTH OF AND PARALLEL WITH 119th ST., SAID ALLEY BEING ALSO NORTH OF AND ADJOINING LOTS 23 THROUGH 32, INCLUSIVE, IN BLOCK 4 IN THOMAS SCANLAN'S ADDITION TO PULLMAN, BEING A SUBDIVISION IN OF THE EAST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 21,

TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND ALONG THE CENTER LINE OF THE ALLEY NORTH OF AND PARALLEL WITH 119th ST. TO THE CENTER LINE OF HARVARD AVE.;

THENCE NORTH ALONG SAID CENTER LINE OF HARVARD AVE. TO THE EASTERLY EXTENSION OF THE CENTER LINE OF THE ALLEY NORTH OF AND PARALLEL WITH 119th ST., SAID ALLEY BEING ALSO NORTH OF AND ADJOINING THE NORTH LINE OF LOTS 17 THROUGH 26, INCLUSIVE, IN BLOCK 6 IN A. O. TYLOR'S ADDITION TO PULLMAN, A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND OF THE WEST HALF OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 21, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE CENTER LINE OF THE ALLEY NORTH OF AND PARALLEL WITH 119th ST. TO CENTER LINE OF STEWART AVE.;

THENCE SOUTH ALONG THE CENTER LINE OF STEWART AVE. TO THE EASTERLY EXTENSION OF THE CENTER LINE OF THE ALLEY NORTH OF AND PARALLEL WITH 119th ST., SAID ALLEY BEING ALSO NORTH OF AND ADJOINING THE NORTH LINE OF LOTS 6 THROUGH 15, INCLUSIVE, IN HUGH LAUDER'S SUBDIVISION OF LOT 8 IN BLOCK 5 IN SAID A. O. TYLOR'S ADDITION TO PULLMAN;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE CENTER LINE OF THE ALLEY NORTH OF AND PARALLEL WITH 119th ST. TO THE CENTER LINE OF EGGLESTON AVE.;

THENCE NORTH ALONG SAID CENTER LINE OF EGGLESTON AVE. TO THE EASTERLY EXTENSION OF THE CENTER LINE OF THE ALLEY NORTH OF AND PARALLEL WITH 119th ST., SAID ALLEY BEING ALSO NORTH OF AND ADJOINING THE NORTH LINE OF LOTS 10 THROUGH 19, INCLUSIVE, IN BLOCK 4 IN SAID A. O. TYLOR'S ADDITION TO PULLMAN;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE CENTER LINE OF THE ALLEY NORTH OF AND PARALLEL WITH 119th ST. TO THE CENTER LINE OF NORMAL AVE.;

THENCE SOUTH ALONG SAID CENTER LINE OF NORMAL AVE. TO THE EASTERLY EXTENSION OF THE CENTER LINE OF THE ALLEY NORTH OF AND PARALLEL WITH 119th ST., SAID ALLEY BEING ALSO NORTH OF AND ADJOINING THE NORTH LINE OF LOTS 17 THROUGH 26, INCLUSIVE, IN BLOCK 4 IN HANNAH B. GANO'S ADDITION TO PULLMAN, BEING A SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE CENTER LINE OF THE ALLEY NORTH OF AND PARALLEL WITH 119th ST. TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 28 IN BLOCK 4 IN KNEELAND AND WRIGHT'S 2nd ADDITION TO WEST PULLMAN IN THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST LINE OF LOT 28 IN BLOCK 4 IN KNEELAND AND WRIGHT'S 2nd ADDITION TO WEST PULLMAN AND THE

NORTHERLY EXTENSION THEREOF TO THE CENTER LINE OF 118th PL.;

THENCE WEST ALONG SAID CENTER LINE OF 118th PL. TO THE SOUTHERLY EXTENSION OF THE CENTER LINE OF THE ALLEY EAST OF AND PARALLEL WITH HALSTED ST., SAID ALLEY BEING ALSO WEST OF AND ADJOINING THE WEST LINE OF LOTS 1 THROUGH 11, INCLUSIVE, IN SAID BLOCK 4 LN KNEELAND AND WRIGHT'S 2nd ADDITION TO WEST PULLMAN;

THENCE NORTH ALONG SAID CENTER LINE OF THE ALLEY EAST OF AND PARALLEL WITH HALSTED ST. TO THE CENTER LINE OF 118th ST.;

THENCE EAST ALONG SAID CENTER LINE OF 118th ST. TO THE SOUTHERLY EXTENSION OF THE CENTER LINE OF THE ALLEY EAST OF AND PARALLEL WITH HALSTED ST., SAID ALLEY BEING ALSO EAST OF AND ADJOINING THE EAST LINE OF LOTS 170 THROUGH 165, INCLUSIVE, LN SHARPSHOOTER'S PARK SUBDIVISION OF PART OF SHARPSHOOTER'S PARK, SAID PARK BEING THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND ALONG THE CENTER LINE OF THE ALLEY EAST OF AND PARALLEL WITH HALSTED ST. TO THE CENTER LINE OF 115th ST.;

THENCE WEST ALONG SAID CENTER LINE OF 115th ST. TO THE CENTER LINE OF HALSTED ST.;

THENCE NORTH ALONG SAID CENTER LINE OF HALSTED ST. TO THE CENTER LINE OF 114th ST.;

THENCE WEST ALONG SAID CENTER LINE OF 114th ST. TO THE SOUTHERLY EXTENSION OF THE CENTER LINE OF THE ALLEY WEST OF AND PARALLEL WITH GREEN ST., SAID ALLEY BEING ALSO EAST OF AND ADJOINING THE EAST LINE OF LOTS 16 THROUGH 30, INCLUSIVE, IN SHELDON HEIGHTS WEST FIFTH ADDITION, A SUBDIVISION OF A PART OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION OF THE CENTER LINE OF THE ALLEY WEST OF AND PARALLEL WITH GREEN ST. TO THE EASTERLY EXTENSION OF THE SOUTH LINE SAID LOT 30 IN SHELDON HEIGHTS WEST FIFTH ADDITION,

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE SAID LOT 30 IN SHELDON HEIGHTS WEST FIFTH ADDITION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE SOUTHEAST CORNER OF LOT 31 IN SAID SHELDON HEIGHTS WEST FIFTH ADDITION;

THENCE CONTINUING WEST ALONG THE SOUTH LINE OF SAID LOT 31 IN SAID SHELDON HEIGHTS WEST FIFTH ADDITION AND ALONG THE WESTERLY

EXTENSION THEREOF TO THE SOUTHWEST CORNER OF SAID SHELDON HEIGHTS WEST FIFTH ADDITION;

THENCE NORTH ALONG THE WEST LLNE OF SALD SHELDON HEIGHTS WEST FIFTH ADDITION, SALD WEST LLNE BEING ALSO THE WEST LLNE OF AN 8 FOOT ALLEY WEST OF AND PARALLEL WITH PEORIA ST., TO THE EASTERLY EXTENSION OF A LLNE 16 FEET SOUTH OF AND PARALLEL WITH THE SOUTH LLNE OF LOTS 19 AND 20 LN THE SIXTH ADDITION TO SHELDON HEIGHTS WEST, BEING A SUBDIVISION OF PART OF THE EAST TWO THIRDS OF THE WEST THREE EIGHTS OF THE NORTH HALF OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SALD EASTERLY EXTENSION AND ALONG A LLNE 16 FEET SOUTH QF AND PARALLEL WITH THE SOUTH LINE OF LOTS 19 AND 20 IN THE SIXTH ADDITION TO SHELDON HEIGHTS WEST TO THE SOUTHWESTERLY LINE OF SAID SIXTH ADDITION TO SHELDON HEIGHTS WEST SUBDIVISION, SAID SOUTHWESTERLY LINE BEING ALSO A LINE 8 FEET SOUTHWEST OF AND PARALLEL WITH THE SOUTHWESTERLY LINE OF LOTS 20 THROUGH 23, INCLUSIVE LN SALD SIXTH ADDITION TO SHELDON HEIGHTS WEST;

THENCE NORTHWEST ALONG SAID SOUTHWESTERLY LINE OF SIXTH ADDITION TO SHELDON HEIGHTS WEST SUBDIVISION TO THE POINT OF INTERSECTION OF SAID SOUTHWESTERLY LINE WITH THE WEST LLNE OF SAID SIXTH ADDITION TO SHELDON HEIGHTS WEST SUBDIVISION, SAID POINT BEING 1,032.98 FEET SOUTH OF THE NORTH LINE OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHLP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTHWESTERLY ALONG A STRAIGHT LINE TO A POINT ON THE WEST LLNE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID POINT BEING 1,188.76 FEET SOUTH OF THE NORTH LINE OF SAID SECTION 20 AS MEASURED ALONG SALD WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 20;

THENCE SOUTH ALONG SAID WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 20 TO THE NORTHEASTERLY LINE OF THE ' RIGHT OF WAY OF THE PENN CENTRAL RAIL ROAD;

THENCE NORTHWEST ALONG SAID THE NORTHEASTERLY LINE OF THE . RIGHT OF WAY OF THE PENN CENTRAL RAIL ROAD TO THE CENTER LINE OF 111th ST.;

THENCE WEST ALONG SAID CENTER LINE OF 111th ST. TO THE SOUTHWESTERLY LINE OF THE RIGHT OF WAY OF THE PENN CENTRAL RAH. ROAD;

THENCE SOUTHEAST ALONG SAID SOUTHWESTERLY LINE OF THE RIGHT OF WAY OF THE PENN CENTRAL RAIL ROAD TO THE CENTER LINE OF 115th ST.;

THENCE WEST ALONG SAID CENTER LLNE OF 115th ST. TO THE POINT OF BEGINNING ON THE CENFER LLNE OF MORGAN ST.

ALL IN COOK COUNTY, ILLINOIS.

EXHIBIT B PROPERTY [Subject to Survey and Title Insurance] [See attached]

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THAT PART OF HILDRUP'S RESUBDIVISION. RECORDED AS DOCUMENT NUMBER 1032530, AND ALSO PART OF PLACERDALE SUBDIVISION RECORDED AS DOCUMENT NUMBER 383570, BOTH BEING SUBDIVISIONS IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 37 NORTH RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT 8 IN SAID HILDRUP'S RESUBDIVISION;

THENCE SOUTH 00 DEGREES 42 MINUTES 40 SECONDS EAST ALONG THE EAST LINE OF SAID LOT 8 AND THE SOUTHERLY EXTENSION THEREOF, 200.08 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 89 DEGREES 42 MINUTES 14 SECONDS WEST, 266.79 FEET; THENCE NORTH 00 DEGREES 16 MINUTES 32 SECONDS WEST. 200.17 FEET TO THE NORTH LINE OF SAID HILDRUPS RESUBDIVISION; THENCE SOUTH 89 DEGREES 43 MINUTES 28 SECONDS WEST ALONG SAID NORTH LINE, 41.00 FEET; THENCE SOUTH 00 DEGREES 16 MINUTES 32 SECONDS EAST. 200.19 FEET; THENCE SOUTH 89 DEGREES 42 MINUTES 14 SECONDS WEST, 153.02 FEET; THENCE NORTH 46 DEGREES 12 MINUTES 27 SECONDS WEST. 10.16 FEET TO A LINE PARALLEL WITH AND 30.00 FEET EASTERLY OF, AS MEASURED AT RIGHT ANGLES TO, THE EASTERLY LINE OF THE PENNSYLVANIA RAILROAD; THENCE NORTH 20 DEGREES 02 MINUTES 03 SECONDS WEST ALONG SAID PARALLEL LINE, 181.23 FEET; THENCE NORTH 00 DEGREES 16 MINUTES 32 SECONDS WEST, 22.61 FEET TO THE NORTH LINE OF SAID PLACERDALE SUBDIVISION; THENCE SOUTH 89 DEGREES 43 MINUTES 28 SECONDS WEST ALONG SAID NORTH LINE, 40.00 FEET TO THE EASTERLY LINE OF SAJD PENNSYLVANIA RAILROAD-THENCE SOUTH 20 DEGREES 02 MINUTES 03 SECONDS EAST ALONG SAID EASTERLY LINE, 634.25 FEET TO THE NORTH LINE OF WEST 116TH STREET; THENCE NORTH 89 DEGREES 40 MINUTES 17 SECONDS EAST ALONG SAID NORTH LINE, 377.96 FEET TO THE EAST LINE OF THE PUBLIC ALLEY AS VACATED PER DOCUMENT NUMBER 17407475; THENCE NORTH 00 DEGREES 42 MINUTES 40 SECONDS WEST ALONG SAID EAST LINE, 321.50 FEET TO THE SOUTH LINE OF THE NORTH HALF OF LOT 12 BLOCK 1 IN PLACERDALE SUBDIVISION, RECORDED AS DOCUMENT NUMBER 383570; THENCE NORTH 89 DEGREES 42 MINUTES 24 SECONDS EAST ALONG SAID SOUTH LINE, 161.28 FEET TO THE WEST LINE OF SOUTH HALSTED STREET AS MONUMENTED; THENCE NORTH 00 DEGREES 42 MINUTES 37 SECONDS WEST ALONG SAID WEST LINE, 75.00 FEET TO THE NORTH LINE OF LOT 9 BLOCK 1 IN SAID PLACERDALE SUBDIVISION; THENCE SOUTH 89 DEGREES 42. MINUTES 53 SECONDS WEST ALONG SAID NORTH LINE. 181.28 FEET TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 8 IN SAID HILDRUP'S RESUBDIVISION; THENCE SOUTH 00 DEGREES 42 MINUTES 40 SECONDS EAST, ALONG SAID LINE, 0.03 FEET TO THE POINT OF BEGINNING; ALL IN COOK COUNTY. ILLINOIS.

#### EXHIBIT C TIF-FUNDED IMPROVEMENTS

Land Acquisition & Property Assemblage	
741W 115th	\$250,000.00
CHA Warehouse Property	\$2,305,000.00
Jacobs	\$160,275.00
Autozone	\$143,405.00
TIF-Funded Improvements Total	\$ 2,858,680.00*



\*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 the lesser of \$1,965,796.65 or 17.7% of the Project Budget.

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EXHIBIT D

PERMITTED LIENS

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.

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

[To be completed by Developer's counsel, subject to City approval.]

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EXHIBIT E-1 PROJECT BUDGET

Land Acquisition 741 W 115th CHA	\$ 250,000.00	2,305,000.00
Warehouse Property Demolished Jacobs	160,275.00	143,405.00
Autozone		
Land Acquisition Total	2,858,680.00	
Hard Costs Base Building - Shopping Center	5,204,092.45	
(Ledcor)		
Hard Costs Total	5,204,092.45	

Soft Costs Lease Commissions Civil	213,210.90	78,959.25
Engineering Architect Environmental	220,147.59	386,859.13
Insurance Building Permits Testing & Reports	59,514.66	58,265.32
Legal & Professional RE Taxes Overhead and	34,168.43	304,790.86
Admin Utilities Site Expenses Interest	150,000.00	450,000.00
Expense Lenders Fees Loan Extension Fees	57,518.40	228,157.25
Closing Costs Broker Fee	650,000.00	100,000.00
	11,831.50	40,000.00
Soft Costs Total	3,043,423.29	
Total Project Costs	\$ 11,106,195.74	

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EXHIBIT E-2 MBEAA/BE BUDGET

		MBE	WBE
Hard Costs			
Base Building - Shopping Center (Ledcor)	5,204,092.45	\$1,248,982	\$208,163.68
Hard Costs Total	5,204,092.45	24%	4%

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EXHIBIT F

APPROVED PRIOR EXPENDITURES

Land Acquisition 741 W 115th CHA	\$ 250,000.00	2,305,000.00
Warehouse Property Demolished Jacobs Autozone	160,275.00	143,405.00
Land Acquisition Total	2,858,680.00	
Hard Costs Base Building - Shopping Center (Ledcor)	5,204,092.45	
Hard Costs Total	5,204,092.45	
Soft Costs Lease Commissions Civil	213,210.90	78,959.25
Engineering Architect Environmental	220,147.59	386,859.13
Insurance Building Permits Testing & Reports	59,514.66	58,265.32
Legal & Professional RE Taxes Overhead and Admin	34,168.43	304,790.86
Utilities Site Expenses Interest	150,000.00	450,000.00
Expense Lenders Fees Loan Extension Fees	57,518.40	228,157.25
Closing Costs Broker Fee	650,000.00	100,000.00
	11,831.50	40,000.00
Soft Costs Total	3,043,423.29	
Total Project Costs	\$ 11,106,195.74	

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EXHIBIT G OPINION OF DEVELOPER'S COUNSEL [To be retyped on  
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 Preferred-Halsted, LLC, an Illinois limited liability company (the "Developer"), in connection with the purchase of certain land located at 833-901 West 115<sup>th</sup> Street, Chicago, Illinois 60643 and the construction of certain facilities thereon located in the 119<sup>th</sup> and Halsted 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) Maple Park Marketplace Redevelopment Agreement (the "Agreement") of even date herewith, executed by Developer and the City of Chicago (the "City");**
- b) [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**
- c) 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 Developer's (i) Articles of Organization, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which Developer is qualified to do business, (in) the Operating Agreement, as amended to date, and (iv) records of all corporate proceedings relating to the Project, 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 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.

business as presently conducted, and is in good standing and duly qualified to do business as a foreign 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. **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, Developer's Articles of Organization or Operating Agreement 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 Developer is a party or by which 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 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 Developer.**

4. **Each of the Documents to which Developer is a party has been duly executed and delivered by a duly authorized officer of Developer, and each such Document constitutes the legal, valid and binding obligation of 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 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 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 Developer. Each outstanding share of the capital stock of 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 Developer, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against Developer or affecting Developer or its property, or seeking to restrain or enjoin the performance by 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, 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 Developer or its business.

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7. To the best of our knowledge after diligent inquiry, there is no default by Developer or any other party under any material contract, lease, agreement, instrument or commitment to which 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 Developer are free and clear of mortgages, liens, pledges, security interests and encumbrances except for those specifically set forth in the Documents.



The affiant, \_\_\_\_\_, of Preferred-Halsted, LLC, an Illinois limited liability company (the "Developer"), hereby certifies that with respect to that certain Maple Park Marketplace Redevelopment Agreement between Developer and the City of Chicago dated \_\_\_\_\_ 2015 (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. **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. **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 are true and correct and Developer is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

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

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**Preferred-Halsted, LLC,  
an Illinois limited liability company**

By:

Name Title:

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_



**My commission expires:** \_ Agreed and accepted:

**Name Title:**  
**City of Chicago**  
**Department of Planning and Development**

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EXHIBIT I

FORM OF SUBORDINATION AGREEMENT

This document prepared by and after recording return to:  
Keith A May, Esq.  
City of Chicago  
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 \_\_\_\_\_, 2015 between the City of Chicago by and through its Department of Planning and Development (the "City"), [Name Lender], a [national banking association] (the "Lender").

**WITNESSETH:**

WHEREAS, Preferred-Halsted, LLC, an Illinois limited liability company (the "Developer"), has purchased certain property located within the 119<sup>th</sup> and Halsted Redevelopment Project Area at 833-901 West 115<sup>th</sup> Street, Chicago, Illinois 60643 and legally described on the Exhibit hereto (the "Property"), in order to construct an approximately 59,611 square foot retail shopping center on the Property (the "Project"); and

WHEREAS, as part of obtaining financing for the Project, Developer entered into a certain Loan Agreement dated as of \_\_\_\_\_ with the Lender pursuant to which the Lender agreed to make a loan to the Developer in an amount not to exceed \$ \_\_\_\_\_ (the "Loan"), which Loan is evidenced by a Mortgage Note and executed by the Developer 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 Developer pursuant to the following, (i) Mortgage dated \_\_\_\_\_ and recorded \_\_\_\_\_ as document number \_\_\_\_\_ made by the Developer to the Lender, and (ii) Assignment of Leases and Rents recorded \_\_\_\_\_ as document number \_\_\_\_\_ made by the Developer to the Lender (all such agreements referred to above and otherwise relating to the Loan referred to herein collectively as the "Loan Documents");

WHEREAS, 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, 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 of the Redevelopment Agreement (the "City Encumbrances");

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WHEREAS, the City has agreed to enter into the Redevelopment Agreement with Developer as of the date hereof, subject, among other things, to (a) the execution by 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 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 it may give to Developer with respect to the Project pursuant to the Loan Documents or the City Agreements, respectively, and (b) copies of waivers, if any, of Developer's default in connection therewith. Under no circumstances shall 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 Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602  
Attention Commissioner \_  
With Copies To

**If to Developer**

Preferred-Halsted, LLC 141 West Jackson, 35<sup>th</sup> Floor Chicago, Illinois 60604 Attention

With Copies To \_

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City of Chicago Department of Law 121 North LaSalle  
Street, Room 600 Chicago, Illinois 60602 Attention:  
Finance and Economic Development Division

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 first class 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 as 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.

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

By: \_\_\_\_\_  
Its: Commissioner,  
Department of Planning and Development

ACKNOWLEDGED AND AGREED TO THIS DAY  
OF

Preferred-Halsted, LLC, an Illinois limited liability company

By Its.

Exhibit to Subordination Agreement - Legal Description

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STATE OF ILLINOIS COUNTY OF COOK

)  
) SS )

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 Planning and 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, he signed and delivered the said instrument pursuant to authority, as his 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 \_\_\_\_\_, 2015.

Notary Public

My Commission Expires

(SEAL)

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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 [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 \_\_\_\_\_, 2015.

Notary Public

My Commission Expires

(SEAL)

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EXHIBIT J

Job Readiness Program

Prior to the Closing Date, the Developer must meet with DPD's Workforce Solutions Division to discuss the Project. The Developer must also send a letter (with a copy to DPD) to any tenants to familiarize them with the programs established by the City and available through DPD for the purpose of helping prepare individuals to work for businesses located within the 119<sup>th</sup> and Halsted TIF Redevelopment Area.

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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. Preferred-

Halsted 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:

B. Business address of the Disclosing Party: 141 West Jackson Blvd Ste 3540  
Chicago IL 60604

C. Telephone: 312.953.1802 Fax: n/a Email: evangpreferreddevelopment.  
com

D. Name of contact person: Evan Oliff

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):

Obtaining TIF funds for shopping center located near 115th/Halsted

G. Which City agency or department is requesting this EDS? Planning & Development

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

Specification # and Contract #

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	ty\
Publicly registered business corporation	[ ]
Privately held business corporation	[ ]
Sole proprietorship	[ ]
General partnership	(Is
Limited partnership	
Trust	[ ]

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:

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:**

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**

Evan Miff : Manager

Thomas Morabito 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,

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
Morabito Descendants Trust	n/a	48%
Oliff Descendants Trust	n/a	48%

### 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 retained or anticipated Address to be retained)

**Relationship to Disclosing Party**   **Fees (indicate whether**  
**(subcontractor, attorney,**   **paid or estimated.) NOTE:**  
**lobbyist, etc.)**   **"hourly rate" or "t.b.d." is**

Fisher Cohen Waldman Shapiro 1247 Waukegan Rd

Glenview IL 60025

(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      y 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

**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 1 is a continuing requirement for doing business with the City. NOTE: If Article 1 applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

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

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

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

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

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

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

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

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

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

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

n/a

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

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

nnnp

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

none

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

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

1. ☐ 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):

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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.

#### 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 2-156-1 10 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

☐ Yes ☐ No

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

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

Does the Matter involve a City Property Sale?

☐ Yes ☐ No

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

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comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

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

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

### SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

#### A. CERTIFICATION REGARDING LOBBYING

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

(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,

'mon/l r\*r mr>Hif/ zir\V fmrprslv fnnHpH rrtntart or^nt loan nr rnnnpratn/p oorofimont

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

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

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

## B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

☐ Yes

☐ No

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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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) <<http://www.cityofchicago.org/Ethics>>, and may also be obtained from the City's Board of Ethics, 740 N.

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

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

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

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1 -23 and Section 2-1 54-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

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

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

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

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

## CERTIFICATION

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

Preferred Halsted LLC  
(Print or type name of Disclosing Party)

(Sign here)

Evan Oliff

(Print or type name of person signing)

Manager (Print or type title of person  
signing)

Signed and sworn to before me on (date)  
at \_C^OaJA1. County, \_XiJ1IHLL^- (state).  
r^c\*J^cZ^O' H- fui\*dL\*£\*^' Notary Public.

Commission expires: ^.^JLjJ\_L7\_ •

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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: •**

**Morabito Descendants 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: Preferred-Halsted 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: 600W Jackson Blvd, Ste 720**

**Chicago TT, fiQfifil**

**C. Telephone: 332.327.27nn Fax: ?t?.QR7.nm**

**Email:**

**t-mnrariitofiseneca-re. com**

**D. Name of contact person: Tom Morabi to**

E. Federal Employer Identification No. (if you have one): <sup>n/a</sup>

\*

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):

Obtaining TIP funds for shopping center located near 115th/Halsted

G. Which City agency or department is requesting this EDS? Planning & Development

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

Specification # and Contract # .

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## SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

### A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- |   |  |
|---|--|
| <input type="checkbox"/> Person                                   | <input type="checkbox"/> Limited liability company       |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership   |
| <input type="checkbox"/> Privately held business corporation      | <input type="checkbox"/> Joint venture                   |
| <input type="checkbox"/> Sole proprietorship                      | <input type="checkbox"/> Not-for-profit corporation      |
| <input type="checkbox"/> General partnership                      | (Is the not-for-profit corporation also a 501(c)(3))?    |
| <input type="checkbox"/> Limited partnership                      | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| H Trust   | <input type="checkbox"/> 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 10 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 Glen Mazurowski 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,

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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 owners of the trust are the minor children of Thomas Morabito		

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

(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 arrears on any child support obligations by any Illinois court of competent jurisdiction?



☐ Yes      ☐ No      ^pi 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 1 ("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: <sup>ne</sup>

- 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.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

nnnp

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

none

:

### C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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

1. ☐ is ☐ U 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):

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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.

### D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

☐ Yes ☐ No

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

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of <sup>legally</sup> <sup>the</sup> <sup>City's</sup> <sup>power</sup> <sup>to</sup> <sup>sell</sup> <sup>property</sup> <sup>for</sup> <sup>taxes</sup> <sup>or</sup> <sup>assessments</sup> <sup>or</sup> <sup>other</sup> <sup>purposes</sup> <sup>as</sup> <sup>provided</sup> <sup>in</sup> <sup>the</sup> <sup>Municipal</sup> <sup>Code</sup> 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

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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:

#### 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 pumQ-S\_ejLcdlmis-Section-VMax-G^ 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.

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

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

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

## B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

☐ Yes

☐ No

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

The Disclosing Party understands and agrees that:

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

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

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

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the Disclosing Party agrees to waive any remedies under the contract or agreement (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:

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

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

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

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

## **CERTIFICATION**

**Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A-(if applicable) on behalf of the Disclosing Party, and (2) warrants that the 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.**

**Morabito Descendants Trust**  
(Print or type name of disclosing Party)  
By:

**; \$1 \*U '**  
(Sign here)

**Glen Mazurowski**



(Print or type name of person signing)

Trustee

(Print or type title of person signing)

Signed and sworn to before me on (date)

at QpL UL County, -VI/moi S (state).

Commission expires: 7 I ftjI-

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 f^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: •

Preferred Development, 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: Preferred Development, 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: 2480 N Lakeview Ave  
Chicago IL 60614

C. Telephone: 312. 953. 1802 Fax: n/a Email: [evan@preferreddevelopment.com](mailto:evan@preferreddevelopment.com)

D. Name of contact person: Evan Oliff

E. Federal Employer Identification No. (if you have one): n/a

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):

Obtaining TIF funds for shopping center located near 115/Halsted

G. Which City agency or department is requesting this EDS? Finance Department

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

*Specification #* \_\_\_\_\_ *and Contract U* \_\_\_\_\_

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## SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

### A. NATURE OF THE DISCLOSING PARTY

☐ Limited liability company ☐ Limited liability partnership ☐ Joint venture ☐ Not-for-profit corporation (Is the not-for-profit corporation also a 501(c)(3))?

#### 1. Indicate the nature of the Disclosing Party.

Person ☐  
Publicly registered business corporation ☐  
Privately held business corporation ☐  
Sole proprietorship ☐  
☐ Yes ☐ No ☐ Other (please specify) \_\_\_\_\_  
General partnership ☐  
Limited partnership ☐  
Trust ☐

#### 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?

☐ 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

Adam Keyser 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.

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

(Add sheets if necessary)

**y 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 1 is a continuing requirement for doing business with the City. NOTE: If Article 1 applies to the Applicant, the permanent compliance timeframe in Article 1 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 JIB. 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:

\_\_\_\_\_ 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.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

nnnp

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the



12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

none

### C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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

1. ☐ is                      W is <sup>not</sup>

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):

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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.

### D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

☐ Yes ☐ No

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

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

Does the Matter involve a City Property Sale?

☐ Yes ☐ No

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

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comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

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

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

## SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

### A. CERTIFICATION REGARDING LOBBYING

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

(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.

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

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

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

#### B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

[J]Yes [N]o 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.)

[ J ] 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?

[ J ] Yes [ ] No

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

[J]Yes [N]o

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

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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) <<http://www.cityofchicago.org/Ethics>>, and may also be obtained from the City's Board of Ethics, 740 N.

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

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

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

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-1 54-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

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

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

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

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

#### CERTIFICATION.

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

Oliff Descendants Trust  
(Print or type name of Disclosing Party)

Adam Keyser  
(Print or type name of person signing)

Trngtep  
(Print or type title of person signing)

Signed and sworn to before me on (date) J\S))£^9ma ■ ^

at (Icn^jL- County, ■.- y /.(../.,u^.-iy (state).

A/jA^o (ly\^-)^ - Notary Public.

### 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.