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Legislation Details (With Text)

File #: SO2016-5607

Type: Ordinance **Status:** Passed

File created: 7/20/2016 **In control:** City Council

Final action: 10/5/2016

Title: Forty-seventh amending agreement with SomerCor 504, Inc. to administer Small Business Improvement Fund Program in 67th/Wentworth Redevelopment Project Area

Sponsors: Austin, Carrie M.

Indexes: Small Business Improvement Fund, Small Business Improvement Fund, Small Business Improvement Fund, Small Business Improvement Fund

Attachments: 1. SO2016-5607.pdf, 2. O2016-5607.pdf

Date	Ver.	Action By	Action	Result
10/5/2016	1	City Council	Passed as Substitute	Pass
10/4/2016	1	Committee on Budget and Government Operations	Recommended to Pass	Pass
7/20/2016	1	City Council	Referred	

SUBSTITUTE ORDINANCE SMALL BUSINESS IMPROVEMENT FUND (SBIF) PROGRAM

WHEREAS, the City of Chicago ("City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, 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; and

WHEREAS, by an ordinance adopted by the City Council of the City ("City Council") on July 21, 1999, and published in the Journal of Proceedings of the City Council ("Journal") for said date at pages 8307 to 8344, inclusive (the "Program Ordinance"), the City implemented a redevelopment program known as the Small Business Improvement Fund program (the "Program") to provide financing assistance pursuant to the Act for the improvement of commercial and industrial facilities of small businesses in certain redevelopment project areas of the City; and

WHEREAS, by ordinances adopted by the City Council, the first on November 8, 2000, and published in the Journal for said date at pages 43877 to 43930, inclusive (the "First Amending Ordinance") and the most recent adopted on February 10, 2016, and published in the Journal for said date at pages 17909 to 17925, inclusive (the "Forty-Sixth Amending Ordinance," collectively with the Program Ordinance, the First Amending Ordinance and the other amending ordinances, the "SBIF Ordinance"), the City has restated and refined the Program and extended its reach to additional redevelopment project areas of the City;

WHEREAS, by a separate ordinance adopted by City Council (the "Retail Zones Ordinance"), the City created a pilot program, pursuant to which zones ("Retail Zones") in certain retail corridors within the City

were established for the purpose of receiving targeted support in order to spur economic development; and

WHEREAS, the Retail Zones Ordinance created Retail Zones within designated parts of the Austin Commercial, 47th/Ashland, 43rd/Cottage Grove, 47th/King Drive, 67thWentworth, 87th/Cottage Grove, Englewood Neighborhood, Englewood Mall, Chicago/Central Park, 107thHalsted and 119th/Halsted redevelopment project areas; and

WHEREAS, in order to provide targeted Program funding to the Retail Zones, the City Council now desires to extend the Program to the 67thWentworth, Englewood Neighborhood, Englewood Mall and 107th/Halsted redevelopment project areas of the City ("New TIF/SBIF Areas") and allocate additional funding to seven existing TIF/SBIF Areas; and

WHEREAS, the New TIF/SBIF Areas, which are not already reached under the SBIF Ordinance, are more fully described on Exhibit A attached hereto and incorporated herein; and

WHEREAS, the City Council desires to authorize the Department of Planning and Development ("DPD") to fund the Program in the 67thWentworth redevelopment project area in an amount not to exceed \$625,000; and

WHEREAS, the City Council desires to authorize DPD to fund the Program in the Englewood Neighborhood redevelopment project area in an amount not to exceed \$750,000;

1

and

WHEREAS, the City Council desires to authorize DPD to fund the Program in the Englewood Mall redevelopment project area in an amount not to exceed \$500,000; and

WHEREAS, the City Council desires to authorize DPD to fund the Program in the 107th/Halsted redevelopment project area in an amount not to exceed \$1,000,000; and

WHEREAS, DPD desires to increase the amount of grant funds available in the Austin/Commercial redevelopment project area by an additional \$1,250,000; and

WHEREAS, DPD desires to increase the amount of grant funds available in the 47th/Ashland redevelopment project area by an additional \$1,250,000; and

WHEREAS, DPD desires to increase the amount of grant funds available in the 43rd/Cottage Grove redevelopment project area by an additional \$750,000; and

WHEREAS, DPD desires to increase the amount of grant funds available in the 47th/King Drive redevelopment project area by an additional \$500,000; and

WHEREAS, DPD desires to increase the amount of grant funds available in the 87th/Cottage Grove redevelopment project area by an additional \$625,000; and

WHEREAS, DPD desires to increase the amount of grant funds available in the Chicago/Central Park redevelopment project area by an additional \$1,250,000; and

WHEREAS, DPD desires to increase the amount of grant funds available in the 119th/Halsted redevelopment project area by an additional \$250,000; and

WHEREAS, the City Council, under the SBIF Ordinance, authorized DPD to enter into an agreement with SomerCor 504, Inc., an Illinois not-for-profit corporation ("SomerCor"), and DPD entered into such agreement on March 12, 2001, which agreement continues in full force and effect, as amended from time to time, pursuant to which SomerCor performs certain administrative services for the Program, and DPD now desires to further amend that agreement by entering into a Forty-Seventh Amending Agreement (the "Forty-Seventh Amending Agreement") with SomerCor to (a) extend the Program into the New TIF/SBIF Areas; (b) authorize Program funding for the New TIF/SBIF Areas; (c) increase the amount of grant funds available in the additional existing TIF/SBIF Areas, as provided by this ordinance; (d) designate the additional Program funding authorized by this ordinance to be targeted for grants in the - portions of the Retail Zones existing within the boundaries of each redevelopment project area; (e) establish special rules for the administration of the Program in regard to Program funding allocated to the Retail Zones; and (f) authorize SomerCor to continue providing the same administrative services for the Program, which Forty-Seventh Amending Agreement is set forth in more detail on Exhibit B, attached hereto and incorporated herein; and

WHEREAS, the City's obligation to provide funds under the Forty-Seventh Amending Agreement may be met through (i) incremental taxes from the Austin Commercial, 47th/Ashland, 43rd/Cottage Grove, 47th/King Drive, 67th/Wentworth, 87th/Cottage Grove, Englewood Neighborhood, Englewood Mall, Chicago/Central Park, 107th/Halsted and 119^m/Halsted redevelopment project areas, as applicable; or (ii) any other funds legally available to the City

2

for this purpose; now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. SomerCor is hereby authorized to administer the Program in the Austin Commercial, 47th/Ashland, 43rd/Cottage Grove, 47th/King Drive, 67thA/Ventworth, 87th/Cottage Grove, Englewood Neighborhood, Englewood Mall, Chicago/Central Park, 107th/Halsted and 119th/Halsted redevelopment project areas, subject to the supervision of DPD.

SECTION 3. The Commissioner of DPD or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to legal form, to negotiate, execute and deliver the Forty-Seventh Amending Agreement between SomerCor and the City substantially in the form attached hereto as Exhibit B and made a part hereof, and such other supporting documents as may be necessary to carry out and comply with the provisions of the Forty-Seventh Amending Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Forty-Seventh Amending Agreement.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. All sections of the SBIF Ordinance in conflict with this ordinance are hereby repealed to the extent of such conflict. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 5. This ordinance shall be effective as of the date of its passage.

Hon. Carrie M. Austin Alderman,
34th Ward

3

EXHIBIT A

Description of New TIF/SBIF Areas

The following New TIF/SBIF Areas were created pursuant to the ordinances listed below:

on May 4, 2011: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 67th Wentworth Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the 67th Wentworth Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 67th Wentworth Redevelopment Project Area"; and

on June 27, 2001: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Englewood Neighborhood Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Englewood Neighborhood Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Englewood Neighborhood Redevelopment Project Area"; and

on November 29, 1989: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Englewood Mall Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Englewood Mall Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Englewood Mall Redevelopment Project Area"; and

on April 2, 2014: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 107th/Halsted Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the 107th/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 the 107th/Halsted Redevelopment Project Area."

4

EXHIBIT B

Form of Forty-Seventh Amending Agreement

to

ADMINISTRATIVE SERVICES AGREEMENT

This Forty-Seventh Amending Agreement to Administrative Services Agreement (the "Agreement") is made this day of 2016, by and between the City of Chicago, a municipal corporation and home rule unit of local government existing under the 1970 Constitution of the State of Illinois (the "City"), acting through its Department of Planning and Development ("DPD"), and SomerCor 504, Inc., an Illinois not-for-profit corporation ("SomerCor") whose office address is 601 South LaSalle Street Street, Suite 510, Chicago, Illinois 60605.

WHEREAS, 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; and

WHEREAS, by ordinances adopted by the City Council of the City on July 21, 1999 and on November 8, 2000, and published in the Journal of Proceedings of the City Council for said dates at pages 8307 to 8344, inclusive, and pages 43877-43930, inclusive, respectively (the "SBIF Ordinances"), the City implemented and amended a redevelopment program known as the Small Business Improvement Fund program (the "SBIF Program") to provide financing assistance pursuant to the Act for the improvement of commercial and industrial facilities of small businesses in certain redevelopment project areas ("TIF Areas") in the City; and

WHEREAS, the City Council, under the. SBIF Ordinances, authorized DPD to enter into agreements with SomerCor, and DPD and SomerCor entered into one agreement on September 22, 1999 ("First SomerCor Agreement") and another agreement on March 12, 2001 ("Second SomerCor Agreement"), to administer the SBIF Programs on behalf of the City; and

WHEREAS, in an ordinance adopted by the City Council on October 31, 2001 and published in the Journal of Proceedings of the City Council for said date at pages 69965 through 70047, inclusive, (the "Midwest TIF Area Ordinance") the City Council authorized DPD to enter into an agreement amending the Second SomerCor Agreement with SomerCor to enable SomerCor to provide SBIF Program administrative services in the Midwest Redevelopment Project Area (the "Midwest TIF Area Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on May 1, 2002, and published in the Journal of Proceedings of the City Council for said date at pages 83769 to 83781, inclusive ("Second Amending Ordinance"), the City Council authorized DPD to enter into an agreement amending the Second SomerCor Agreement with SomerCor to enable SomerCor to provide SBIF Program administrative services in the Portage Park, Western Avenue North, Western Avenue South, Fullerton/Milwaukee and Belmont/Central Redevelopment Project Areas (the "Second Amending Agreement"); and

5

WHEREAS, by an ordinance adopted by the City Council of the City on December 4, 2002 and published in the Journal of Proceedings of the City Council for said date at pages 100124 to 100135, inclusive ("Third Amending Ordinance"), the City Council authorized DPD to enter into an agreement amending the Second SomerCor Agreement with SomerCor to enable SomerCor to provide SBIF Program administrative services in the Madison/Austin Corridor and Humboldt Park Commercial Redevelopment Project Areas (the "Third Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on February 5, 2003 and published in the Journal of Proceedings of the City Council for said date at pages 102793 to 102803, inclusive ("Fourth Amending Ordinance"), the City Council authorized DPD to enter into an agreement amending the Second SomerCor Agreement with SomerCor to enable SomerCor to provide SBIF Program administrative services in the Northwest Industrial Corridor Redevelopment Project Area (the "Fourth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on July 9, 2003, and published in the Journal of Proceedings of the City Council for said date at pages 3418 to 3424, inclusive ("Fifth Amending Ordinance"), the City Council authorized DPD to enter into an agreement amending the Second SomerCor Agreement with SomerCor which restated the SBIF Program rules (the "Fifth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on November 3, 2004 and published in the Journal of Proceedings of the City Council for said date at pages 34545 to 34554, inclusive ("Sixth Amending Ordinance"), DPD extended the SBIF Program to the Lawrence/Kedzie Redevelopment Project Area of the City (the "Sixth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on September 14, 2005 and published in the Journal of Proceedings of the City Council for said date at pages 54724 to 54740, inclusive ("Seventh Amending Ordinance"), DPD extended the SBIF Program to the 63rd/Pulaski, Belmont/Cicero, Lawrence/Pulaski, Peterson/Pulaski, West Irving Park, Greater Southwest-West, Galewood/Armitage Industrial, Pilsen Industrial Corridor, 119th and Halsted, and Pulaski Corridor Redevelopment Project Areas of the City and increased the amount of grant funds available in the Fullerton/Milwaukee and Lawrence/Kedzie Redevelopment Project Areas (the "Seventh Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on September 13, 2006 and published in the Journal of Proceedings of the City Council for said date at pages 83420 to 83440, inclusive ("Eighth Amending Ordinance"), DPD extended the SBIF Program to twenty-one redevelopment project areas of the City (the "Eighth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on February 7, 2007 and published in the Journal of Proceedings of the City Council for said date at pages 97661 to 97672, inclusive ("Ninth Amending Ordinance"), DPD extended the SBIF Program to the 63rd/Ashland and Devon/Western Redevelopment Project Areas of the City (the "Ninth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on June 13, 2007 and published in the Journal of Proceedings of the City Council for said date at pages 2395 to 2402, inclusive ("Tenth Amending Ordinance"), the City Council authorized DPD to enter into an

6

agreement amending the Second SomerCor Agreement with SomerCor which restated the SBIF Program rules (the "Tenth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on October 31, 2007 and published in the Journal of Proceedings of the City Council for said date at pages 10929 to 10942, inclusive ("Eleventh Amending Ordinance"), DPD extended the SBIF Program to certain redevelopment project areas of the City (the "Eleventh Amending Agreement"); and

WHEREAS, by an ordinance adopted, by the City Council of the City on June 11, 2008 and published in the Journal of Proceedings of the City Council for said date at pages 28833 to 28843, inclusive ("Twelfth Amending Ordinance"), DPD extended the SBIF Program to the Michigan/Cermak Redevelopment Project Area of the City (the "Twelfth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on September 10, 2008 and published in the Journal of Proceedings of the City Council for said date at pages 36267 to 36277, inclusive ("Thirteenth Amending Ordinance"), DPD extended the SBIF Program to the Irving/Cicero Redevelopment Project Area of the City (the "Thirteenth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on September 10, 2008 and published in the Journal of Proceedings of the City Council for said date at pages 36704 to 36711, inclusive ("Fourteenth Amending Ordinance"), the City Council authorized DPD to enter into an agreement amending the Second SomerCor Agreement with SomerCor which restated the SBIF Program rules (the "Fourteenth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on February 11, 2009 and published in the Journal of Proceedings of the City Council for said date at pages 54738 to 54748, inclusive ("Fifteenth Amending Ordinance"), DPD extended the SBIF Program to the Hollywood/Sheridan Redevelopment Project Area of the City (the "Fifteenth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on March 18, 2009 and published in the Journal of Proceedings of the City Council for said date at pages 55750 to 55762, inclusive ("Sixteenth Amending Ordinance"), DPD extended the SBIF Program to the Elston/Armstrong Industrial Corridor and 47th /Ashland Redevelopment Project Areas of the City (the "Sixteenth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on April 22, 2009 and published in the Journal of Proceedings of the City Council for said date at pages 57265 to 57276, inclusive ("Seventeenth Amending Ordinance"), DPD extended the SBIF Program to the Lawrence/Broadway and TouhyA/Vestern Redevelopment Project Areas of the City (the "Seventeenth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on May 13, 2009 and published in the Journal of Proceedings of the City Council for said date at pages 60322 to 60333, inclusive ("Eighteenth Amending Ordinance"), DPD extended the SBIF Program to the Austin Commercial Redevelopment Project Area of the City (the "Eighteenth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on June 3, 2009 and published in the Journal of Proceedings of the City Council for said date at pages 63080 to 63090, inclusive ("Nineteenth Amending Ordinance"), DPD increased the amount of grant funds available in the Clark Street and Ridge Avenue Redevelopment Project Area (the "Nineteenth Amending Agreement"); and

WHEREAS, by an ordinance, adopted by the City Council of the City on June 30, 2009 and published in the Journal of Proceedings of the City Council for said date at pages 64859 to 64871, inclusive ("Twentieth Amending Ordinance"), DPD extended the SBIF Program to the Midway Industrial Corridor Redevelopment Project Area and increased the amount of grant funds available in the Peterson/Pulaski Redevelopment Project Area (the "Twentieth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on September 9, 2009 and published in the Journal of Proceedings of the City Council for said date at pages 69297 to 69308, inclusive ("Twenty-First Amending Ordinance"), DPD increased the amount of grant funds available in the 35th/Halsted Redevelopment Project Area (the "Twenty-First Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on November 18, 2009 and published in the Journal of Proceedings of the City Council for said date at pages 74011 to 74023, inclusive ("Twenty-Second Amending Ordinance"), DPD extended the SBIF Program to the 95th Street and Stony Island Avenue, Avalon Park/South Shore, Harlem Industrial Park Conservation, and Western Avenue/Rock Island Redevelopment Project Areas of the City (the "Twenty-Second Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on December 2, 2009 and published in the Journal of Proceedings of the City Council for said date at pages 79524 to 79546, inclusive ("Twenty-Third Amending Ordinance"), DPD restated the SBIF Program Rules, extended the SBIF Program to the Avondale and Woodlawn Redevelopment Project Areas, and increased the amount of grant funds available in the Northwest Industrial Corridor Redevelopment Project Area (the "Twenty-Third Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on January 13, 2010 and published in the Journal of Proceedings of the City Council for said date at pages 82434 to 82446, inclusive ("Twenty-Fourth Amending Ordinance"), DPD extended the SBIF Program to the Addison South Redevelopment Project Area (the "Twenty-Fourth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on February 10, 2010 and published in the Journal of Proceedings of the City Council for said date at pages 83847 to 83861, inclusive ("Twenty-Fifth Amending Ordinance"), DPD extended the SBIF Program to the 47th/King Drive, 79th Street Corridor and Armitage/Pulaski Redevelopment Project Areas and increased the amount of grant funds available in the Madison/Austin Corridor and Western Avenue North Redevelopment Project Areas (the "Twenty-Fifth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on June 9, 2010 and published in the Journal of Proceedings of the City Council for said date at pages 92472 to 92483, inclusive ("Twenty-Sixth Amending Ordinance"), DPD increased the amount of grant

funds available in the Hollywood/Sheridan Redevelopment Project Area (the "Twenty-Sixth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on June 30, 2010 and published in the Journal of Proceedings of the City Council for said date at pages 94477 to 94491, inclusive ("Twenty-Seventh Amending Ordinance"), DPD extended the SBIF Program to the Roosevelt/Cicero, Western/Ogden and Little Village Industrial Corridor Redevelopment Project Areas and increased the amount of grant funds available in the Belmont/Central and Portage Park Redevelopment Project Areas (the "Twenty-Seventh Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on October 6, 2010 and published in the Journal of Proceedings of the City Council for said date at pages 99933 to 99946, inclusive ("Twenty-Eighth Amending Ordinance"), DPD extended the SBIF Program to the Roosevelt/Homan and Ogden/Pulaski Redevelopment Project Areas and increased the amount of grant funds available in the Devon and Western and Western Avenue/Rock Island Redevelopment Project Areas (the "Twenty-Eighth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on November 3, 2010 and published in the Journal of Proceedings of the City Council for said date at pages 104150 to 104161, inclusive ("Twenty-Ninth Amending Ordinance"), DPD increased the amount of grant funds available in the 111th Street/Kedzie Avenue Business District Redevelopment Project Area (the "Twenty-Ninth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on February 9, 2011 and published in the Journal of Proceedings of the City Council for said date at pages 111666 to 111678, inclusive ("Thirtieth Amending Ordinance"), DPD extended the SBIF Program to the Read/Dunning Redevelopment Project Area and increased the amount of grant funds available in the Midwest Redevelopment Project Area (the "Thirtieth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on June 8, 2011 and published in the Journal of Proceedings of the City Council for said date at pages 200 to 213, inclusive ("Thirty-First Amending Ordinance"), DPD increased the amount of grant funds available in the 35th/Halsted, 47th/King Drive, North Branch South, and Portage Park Redevelopment Project Areas (the "Thirty-First Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on July 28, 2011 and published in the Journal of Proceedings of the City Council for said date at pages 3789 to 3802, inclusive ("Thirty-Second Amending Ordinance"), DPD extended the SBIF Program to the Ewing Avenue Redevelopment Project Area (the "Thirty-Second Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on November 2, 2011 and published in the Journal of Proceedings of the City Council for said date at pages 9614 to 9626, inclusive ("Thirty-Third Amending Ordinance"), DPD increased the amount of grant funds available in the Portage Park Redevelopment Project Area (the "Thirty-Third Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on April 24, 2012 and published in the Journal of Proceedings of the City Council for said date at pages 24129 to 24159, inclusive ("Thirty-Fourth Amending Ordinance"), DPD amended the Program Rules for

9

the SBIF Program, extended the SBIF Program to the Archer/Central, Division/Homan and 47th/State Redevelopment Project Areas, and increased the amount of grant funds available in nine additional redevelopment project areas (the "Thirty-Fourth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on April 24, 2012 and published

in the Journal of Proceedings of the City Council for said date at pages 24160 to 24175, inclusive ("Thirty-Fifth Amending Ordinance"), DPD extended the SBIF Program to the Irving Park/Elston Redevelopment Project Area and increased the amount of grant funds available in seven other redevelopment project areas (the "Thirty-Fifth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on June 6, 2012 and published in the Journal of Proceedings of the City Council for said date at pages 27953 to 27967, inclusive ("Thirty-Sixth Amending Ordinance"), DPD extended the SBIF Program to four additional redevelopment project areas (the "Thirty-Sixth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on October 3, 2012 and published in the Journal of Proceedings of the City Council for said date at pages 34651 to 34664, inclusive ("Thirty-Seventh Amending Ordinance"), DPD increased the amount of grant funds in the Western Avenue/Rock Island Redevelopment Project Area (the "Thirty-Seventh Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on January 17, 2013 and published in the Journal of Proceedings of the City Council for said date at pages 44849 to 44862, inclusive ("Thirty-Eighth Amending Ordinance"), DPD increased the amount of grant funds in the Western Avenue South Redevelopment Project Area (the "Thirty-Eighth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on June 26, 2013 and published in the Journal of Proceedings of the City Council for said date at pages 56098 to 56115, inclusive ("Thirty-Ninth Amending Ordinance"), DPD extended the SBIF Program to the 35th and Wallace Redevelopment Project Area and increased the amount of grant funds available in six other redevelopment project areas (the "Thirty-Ninth Amending Agreement") ; and

WHEREAS, by an ordinance adopted by the City Council of the City on July 24, 2013 and published in the Journal of Proceedings of the City Council for said date at pages 57332 to 57346, inclusive ("Fortieth Amending Ordinance"), DPD increased the amount of grant funds available in the Stony Island Avenue Commercial and Burnside Industrial Corridors and West Irving Park Redevelopment Project Areas (the "Fortieth Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on June 25, 2014 and published in the Journal of Proceedings of the City Council for said date at pages 83007 to 83035, inclusive ("Forty-First Amending Ordinance"), DPD increased the amount of grant funds available in the Clark/Montrose, Lawrence/Broadway, and Ravenswood Corridor Redevelopment Project Areas (the "Forty-First Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on September 10, 2014 and published in the Journal of Proceedings of the City Council for said date at pages 87257 to 87271, inclusive ("Forty-Second Amending Ordinance"), DPD increased the amount of

10

grant funds available in the Hollywood/Sheridan Redevelopment Project Area (the "Forty-Second Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on March 18, 2015 and published in the Journal of Proceedings of the City Council for said date at pages 102954 to 102973, inclusive ("Forty-Third Amending Ordinance"), DPD extended the SBIF Program to the 24th/Michigan, 47th/Halsted and 79th A/incennes Redevelopment Project Areas of the City, and increased the amount of grant funds available in seven other redevelopment project areas (the "Forty-Third Amending Agreement"); and

WHEREAS, by an ordinance adopted by the City Council of the City on July 29, 2015 and published in

the Journal of Proceedings of the City Council for said date at pages 2525 to 2540, inclusive ("Forty-Fourth Amending Ordinance"), DPD extended the SBIF Program to the 79th Street/Southwest Highway and Stockyards Southeast Quadrant Industrial Redevelopment Project Areas of the City, and increased the amount of grant funds available in the Archer/Central, Avalon Park/South Shore, Fullerton/Milwaukee, Kinzie Industrial Corridor, Midway Industrial, Midwest, and Western Avenue South Redevelopment Project Areas; and

WHEREAS, by an ordinance adopted by the City Council of the City on October 14, 2015 and published in the Journal of Proceedings of the City Council for said date at pages 8333 to 8348, inclusive ("Forty-Fifth Amending Ordinance"), DPD increased the amount of grant funds available in the 63rd /Pulaski, Central West, and Western/Ogden Redevelopment Project Areas; and

WHEREAS, by an ordinance adopted by the City Council of the City on February 10, 2016 and published in the Journal of Proceedings of the City Council for said date at pages 17909 to 17925, inclusive ("Forty-Sixth Amending Ordinance"), DPD increased the amount of grant funds available in the Austin Commercial, Belmont/Central, Northwest Industrial Corridor and Portage Park redevelopment project areas; and

WHEREAS, by an ordinance adopted by the City Council of the City on _____, 2016 and published in the Journal of Proceedings of the City Council for said date at pages _____ to _____, inclusive ("Forty-Seventh Amending Ordinance"), DPD extended the SBIF Program to the 67thA/Ventworth, Englewood Neighborhood, Englewood Mall and 107th/Halsted Redevelopment Project Areas of the City, increased the amount of grant funds available in the Austin Commercial, 47th/Ashland, 43rd Cottage Grove, 47th King Drive, 87th/Cottage Grove, Chicago/Central Park and 119^m/Halsted Redevelopment Project Areas and provided authorization for the targeting of SBIF Program Funds in the areas to designated zones called [] Zones; and

WHEREAS, the Forty-Seventh Amending Ordinance authorized DPD to enter into an agreement with SomerCor to continue to provide SBIF Program administrative services, and DPD and SomerCor now desire to enter into such an agreement, which will amend the Second SomerCor Agreement (the "Forty-Seventh Amending Agreement");

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth below, the parties hereto agree as follows:

11

ARTICLE I INCORPORATION AND RECITALS

The recitals set forth above are incorporated by reference as if fully set forth herein.

ARTICLE II

REAFFIRMATION OF REPRESENTATIONS, WARRANTIES AND COVENANTS

SomerCor reaffirms each and every representation, warranty and covenant made in Article III of the Second SomerCor Agreement. SomerCor reaffirms that it has insurance in force that conforms to the requirements of Section 4.8 of the Second SomerCor Agreement.

ARTICLE III

AMENDMENTS TO SECOND SOMERCOR AGREEMENT

1. The Second SomerCor Agreement, as amended, is further amended, as follows:

(a) add the;following text at the end of Exhibit 2 thereof: ; and

96) on May 4, 2011: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 67thA/Ventworth Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the 67thWentworth Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 67thA/Ventworth Redevelopment Project Area"; and

97) on June 27, 2011: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Englewood Neighborhood Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Englewood Neighborhood Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Englewood Neighborhood Redevelopment Project Area"; and

98) on November 29, 1989: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Englewood Mall Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Englewood Mall Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Englewood Mall Redevelopment Project Area"; and

12

99) on April 2, 2014: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 107th/Halsted Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the 107th/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 the 107th/Halsted Redevelopment Project Area."

(b) add the following text at the end of Exhibit 5 thereof:

\$1,000,000

67 th /Wentworth Mall \$500,000 107 th /Halsted	\$625,000	Englewood	Neighborhood	\$750,000	Englewood
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(c) amend the text in Exhibit 5 thereof increasing the maximum funds available for the following TIF Areas, which maximum includes previously-allocated funds and additional funding authorized by the 47th Amending Ordinance, as follows:

Austin Commercial 47th/Ashland 43rd/Cottage Grove 47thKing Drive 87thCottage Grove Chicago/Central Park 119th/Halsted Redevelopment

\$3,000,000 \$2,750,000 \$2,250,000 \$2,000,000 \$2,125,000 \$2,750,000 \$1,000,000

(d) substitute the following for each occurrence of "One Hundred and Thirty Million and Three Hundred and Sixty Thousand Dollars (\$130,360,000)" in Section 4.2 thereof:

One Hundred Thirty-Nine Million and One Hundred Ten Thousand Dollars (\$139,110,000)

(g) add the following new definitions to Article II:

[] Ordinance means that ordinance adopted by the City Council on , 2016, and published in the Journal of Proceedings of the City Council for said date at pages to , inclusive, including any amendments thereto.

[] Program means the pilot program created by the [] Ordinance, pursuant to which zones in certain retail corridors within the City were established for the purpose of receiving targeted support in order to spur economic development.

L [] Zones means certain zones created by the [] Ordinance for the [] Program with the geographic boundaries described in the [] Ordinance.

(f) add a new Section 4.9 to read as follows:

13

Section 4.9. Special Rules Applicable to [

(a) Pursuant to the 47 Amending Ordinance, a portion of the maximum funds available for certain TIF Areas is intended to be used for providing Grants to Eligible Applicants in [] Zones. SomerCor agrees that a portion of the maximum funds identified in Exhibit 5 for certain TIF Areas shall be available for Grants in each applicable area, as follows:

<u>TIF Area</u>	<u>Maximum Amount</u>	<u>Corresponding \</u>	<u>1 Zone</u>
Austin Commercial	\$1,250,000		
47 th /Ashland	\$1,250,000		
43 rd /Cottage Grove	\$750,000		
47 th /King Drive	\$500,000		
67 th A/Ventworth	\$625,000		
87 th /Cottage Grove	\$625,000		
Englewood Neighborhood	\$850,000		
Englewood Mall	\$400,000		
Chicago/Central Park	\$1,250,000		
107 th /Halsted	\$1,000,000		
119 th /Halsted	\$250,000		
Austin			
Back of the Yards			
Bronzeville			
Bronzeville			
Chatham			
Chatham			
Englewood			
Englewood			

West Humboldt Park
West Pullman
West Pullman

- b) Somercor agrees that no Program funds shall be committed or paid in regard to any Property in a [] Zone unless the Property is also within the geographic boundaries of the relevant TIF Area.
- c) Notwithstanding anything to the contrary in this Agreement, SomerCor agrees that the "Program Rules for [] Zones" attached hereto as Exhibit 8 shall govern the administration of Grants to Properties in a [] Zone. In the event that the Program Rules for [] Zones are silent as to any aspect of the administration of the Program, then the general terms of this Agreement and the SBIF Program Rules attached as Exhibit 1 shall apply.
- d) SomerCor agrees that no Program funds identified in Section 4.9(a) shall be committed to a Property after the termination date of the [] Program as established in the [] Ordinance.
- e) SomerCor agrees that DPD, in its sole discretion, may make all or part of the Program funds identified in Section 4.9(a) for a specific TIF Area available for Grants in the entire TIF Area if the funds are not expended prior to termination of the [] Program or if DPD determines that it is in the City's best interests to do so.
- (g) add a new exhibit to be designated as "Exhibit 8" in substantially the form of Exhibit 1 attached hereto and incorporated herein.

Except as set forth herein, the Agreement is not amended.

14

ARTICLE IV

OBLIGATION TO PROVIDE DOCUMENTS

SomerCor shall execute and deliver to DPD such documents as may be required by the Corporation Counsel of the City to evidence SomerCor's participation in the Program, including, but not limited to, the City's current form of Economic Disclosure Statement and an opinion of counsel in substantially the form of Exhibit 2 attached hereto and incorporated herein.

IN WITNESS WHEREOF, the City and SomerCor have executed this Agreement as of the date first set forth above.

CITY OF CHICAGO

By:
Commissioner,
Department of Planning and Development

SOMERCOR 504, INC.

By: _____ :
Its: _____

15

EXHIBIT 1 to Forty-Seventh Amending Agreement

**CITY OF CHICAGO DEPARTMENT OF PLANNING AND
DEVELOPMENT
SMALL BUSINESS IMPROVEMENT FUND (SBIF) FOR [] ZONES
PROGRAM RULES
Effective as of [INSERT DATE]**

The City of Chicago's Small Business Improvement Fund is a TIF program which will reimburse building owners or tenants, as applicable, for eligible investments which preserve building stock, improve neighborhood appearance or economic value, and enable businesses to stay in the neighborhood, remain competitive, or even expand within the TIF District.

Funding:

Grants only, in the form of reimbursement, to the person or legal entity who incurred the costs of the eligible improvements.

Each Property shall be eligible to receive the Maximum Program Assistance no more than every three years. "Property" shall mean: (1) a building regardless of whether it has multiple addresses or permanent index numbers ("PINS"); and/or (2) contiguous parcels under Common Ownership,

regardless of whether they have multiple addresses or PINS. A building or multiple parcels under Common Ownership shall mean having an ownership interest by the same person or legal entity of 7.5% or more.

Applicants whose eligibility is established by the Net Worth Requirements under the Eligible Applicant requirements are entitled to funding in the following manner:

- a. up to seventy-five percent (75%) of eligible costs if the Applicant demonstrates a net worth less than \$2,500,000.
- b. up to fifty percent (50%) of eligible costs if the Applicant demonstrates a net worth equal to or greater than \$2,500,000, but less than \$4,500,000.
- c. up to twenty-five percent (25%) of eligible costs if the Applicant demonstrates a net worth equal to or greater than \$4,500,000.

Applicants whose eligibility is established by the Annual Sales Requirement under the Eligible Applicant requirements are entitled to funding in the following manner:

- a. up to seventy-five percent (75%) of eligible costs if the Applicant demonstrates annual sales totaling less than \$3,000,000.
- b. up to fifty percent (50%) of eligible costs if the Applicant demonstrates annual sales totaling equal to or greater than \$3,000,000, but less than \$4,000,000.
- c. up to twenty-five (25%) of eligible costs if the Applicant demonstrates annual sales totaling equal to or greater than \$4,000,000.

The Maximum Program Assistance shall be (i) less than or equal to Two Hundred and Fifty Thousand Dollars (\$250,000) maximum assistance per commercial Property occupied by a single owner or tenant; or (ii) less than or equal to Two Hundred and Fifty Thousand Dollars (\$250,000) maximum assistance per commercial Property occupied

16

by multiple owners or tenants, provided that no individual-Applicant shall receive assistance greater than One Hundred and Twenty-Five Thousand Dollars (\$125,000). Applicants may receive one or more grants up to the Maximum Program Assistance.

Any Property in a [] Zone that has received assistance through either a standard SBIF Grant or a [] Zone Grant within the last three years will have these funds deducted from the new Maximum Program Assistance amount. Once an Applicant has received the Maximum Program Assistance, the Applicant shall not be eligible to reapply for another Program grant for the same Property until three years from the date on which it receives final payment for the preceding Program grant(s), provided it has met DPD's guidelines and procedures regarding re-application. Applicants who have received a Program grant for one Property shall not be excluded from applying for Program grants for another Property.

If demand for funds exceeds the amount of available funds, Applicants with eligible projects will be selected by lottery; a waiting-list will be created, if needed. Any waiting-list created as a result of a lottery shall expire upon the earlier of either two (2) years

after the date of its creation or the termination of the [] Zones Program. Any applicants placed on the waiting-list shall remain on the list until the waiting-list expires, they receive a grant, withdraw from the waiting-list, or are otherwise determined to no longer be eligible under the Program to receive a grant. If the initial funding allocation is not fully utilized and no lottery needed, applications received after the initial deadline will be reviewed and processed on a first-come, first-serve basis.

If a lottery is required, only projects that meet four (4) or more of the commercial redevelopment priorities (defined and established under the "Eligible Applicants" section below) of the SBIF for [] Zones Program will be included in such a lottery. DPD

shall have sole discretion to determine if a proposed project meets these criteria. Applications that do not demonstrate that they will meet four (4) or more of the commercial redevelopment priorities but would otherwise be eligible under the standard SBIF program rules will be referred to this program as funding permits.

The maximum grant any Property would be eligible to receive under the Program shall be reduced dollar for dollar by (i) any Direct City Financial Assistance from any other program for the Property within (3) years before the date of the application, (ii) any Direct City Financial Assistance currently being received for such Property, or (iii) any Direct City Financial Assistance that the City has agreed to provide to such Property at any time in the future pursuant to a written contract (except for "gap" financing for the Project that is disclosed at the time the Application is first filed). "Direct City Financial Assistance" shall mean financial assistance directly provided by the City, but shall not include any funds received pursuant to a contract for goods and services, a Delegate Agency Grant Agreement, a Cook County tax incentive, or the "TIF Works" Program.

All applicants for commercial properties who are approved for a grant of \$25,000 or greater shall be required to make at least one exterior improvement using at least ten percent (10%) of the maximum amount of their approved grant, including but not limited to, facade repair, windows and doors, awnings, and any other exterior improvements eligible under the Program; provided that, at DPD's sole discretion such requirement may be waived if the applicant can demonstrate to DPD's satisfaction that no exterior improvements are needed because improvements have been recently completed or the exterior features of the building have been well-maintained.

17

When DPD has determined that the demand for SBIF for [] Zones has been fully utilized, or when defined [] Zones geography expires, any unallocated SBIF for [] Zones funds can be reallocated to fund the SBIF program in the corresponding TIF Area that operates under the SBIF Program's standard rules.

Eligible Applicants:

Property owners that have an ownership interest in a commercial business, located on the property to be improved.

Property owners or ownership entities who lease space to eligible third-party commercial tenants.

- Commercial tenants that have a leasehold interest in the property they would like to improve pursuant to a lease agreement with the property owner and have express prior property owner approval to make specific improvements. The property owner's eligibility will not be a requirement for the Tenant's eligibility.

Qualified building owners who seek to attract eligible new commercial tenants to vacant space.

Businesses which are not eligible include, but may not be limited to: fast-food chain restaurants; national chain businesses (as defined by DPD); branch banks; employment agencies; currency exchanges, pay day loan stores; pawn shops; astrology, palm-reading; liquor stores, bars; adult bookstores, massage parlors; hotels or motels; track wagering facilities; trailer-storage yards; and junk yards, or any uses similar to those listed.

Priority will be given to commercial projects that meet critical redevelopment priorities, as defined by DPD. These are:

- i) have a positive, catalytic impact on a commercial corridor;

- ii) provide goods or services where those goods or services are lacking;
- iii) support a new or expanding small business;
- iv) have the potential to leverage other resources (private, state, federal);
- v) show a clear path to financial closing and construction start;
- vi) commit to hiring from local neighborhoods; and
- vii) are economically viable and sustainable.

Religious organizations that operate an industrial or commercial business may be eligible for a Program grant provided that an authorized officer signs an affidavit stating that (a) the room or space that the SBIF funds will be used to acquire, improve or rehabilitate is not its primary place of worship; (b) SBIF funds will be used only for those portions of the acquisition, improvement or rehabilitation of the premises that are

18

attributable to business activities described in its application; and (c) If in the future it uses the premise for inherently religious activities it will reimburse the City for the present value of the improvements, in an amount not to exceed the grant of SBIF funds.

Vacant Property:

Funding for vacant properties will require a minimum sixty percent (60%) lease-up by square footage of the entire property and one hundred percent (100%) lease-up of the ground floor space with a qualified tenant, prior to funding.

Eligible Costs:

Any TIF-eligible improvement which permits a building owner to attract new commercial tenants, allows an eligible business owner to maintain or expand operations, or contributes to the improved appearance and viability of a property may be funded by the Program. This includes, at DPD's discretion, funding for the rehabilitation, remodeling or renovation of improvements including, but not limited to, the following:

- roof and facade;
- signs or awnings which are permanently affixed to the building; alterations or structures needed for ADA compliance (e.g., railings or ramps); HVAC and other mechanical systems; plumbing and electrical work;
- certain beautification efforts located in the public way; certain environmental remediation measures; and
- the purchase of adjacent land parcels for purposes of expansion or parking;
- the cost of an energy audit that recommends measures to improve the energy efficiency of a building

may be included as a rehabilitation cost to the extent that:

a) the building renovations undertaken pursuant to such recommendation promote energy efficiency and resource conservation (e.g., the installation of low-flow plumbing fixtures or energy-efficient HVAC systems, the use of building materials made with a high degree of recycled content or renewable or non-toxic substances); and

b) the cost of the energy audit does not exceed 10% of the project budget.

permanent interior renovations, including fixtures.

The following items are not eligible for reimbursement, and therefore will not be counted toward total project cost (this is not an exhaustive list):

19

new construction;

minor repairs or improvements such as painting or cleaning;

equipment-related expenses;

planters surrounding or affixed to buildings;

perimeter security fencing;

work on the interior of residential units and

work, in DPD's sole determination, that is not consistent with the goals of this Program or the redevelopment priorities of the relevant TIF area, including, projects that do not conform with the uses and goals defined in the governing Redevelopment Plan for the relevant TIF area.

Design Requirements for Facade Work:

In order to receive funding, projects must conform to the minimum design requirements defined below. In addition, projects will be encouraged to meet the other design goals in the City of Chicago Design Guidelines. Applicants are strongly advised to consult with the SBIF Administrator on design requirements and guidelines before drawing up plans for work. Work which is potentially damaging to the building, such as use of incorrect tuckpointing materials, will not be reimbursed. Plans must be submitted to the SBIF Administrator for design approval prior to beginning construction, or the project will be automatically disqualified.

Minimum Design Requirements for Facade Work:

Original wall materials such as brick, stone and terra cotta must be repaired and maintained. Imitation materials (e.g. concrete masonry units (CMU), dry-vit and other imitation stucco) must all be avoided.

When individual pieces of brick, stone or terra cotta are beyond repair, they must be replaced to match the originals in terms of size, color, finish and texture.

Decorative features such as cast-iron piers, terra-cotta masonry, pressed metal ornaments, and cast stone must be repaired and maintained.

Signs should be constructed out of durable high-quality materials and be consistent with the character of the commercial corridor.

Compliance:

Checks will be performed on all applicants prior to funding to insure that they are not indebted to the City and that they are in compliance with child support laws.

Each applicant will fully complete an Economic Disclosure Affidavit on behalf of each entity with ties to the project outline in the SBIF application.

20

Grantees will be required to sign an affidavit certifying that they will not relocate out of the TIF district or sell the business or property within a three (3) year period following disbursement of funds under the Program. This will be monitored.

In cases of SBIF reimbursement for land purchase, proof of land ownership will be required before reimbursement may be made.

Time Limits:

Each stage of the program has a time limit by which it must be completed. Applicants who do not complete each stage within that limit will be disqualified:

Applicant supplies any missing information to complete their application: twenty (20) days.

Plans, bids, and specs, are obtained, debts are cured: one hundred twenty (120) days.

Applicant provides evidence to the satisfaction of DPD within one hundred and twenty (120) days following the date of the commitment letter that it has sufficient funds to complete the approved project. Such evidence may include, but is not limited to, a letter of interest or commitment from a financial institution for a loan or line of credit or financial statements that demonstrate that the applicant currently has sufficient equity to complete the project.

Construction is completed or land is purchased: twelve (12) months.

A maximum of two (2) extensions may be granted with DPD approval in the case of an unavoidable delay due to extraordinary circumstances only. If a second extension is granted, it shall be limited to a maximum of forty-five (45) days, unless the delay is caused by the City. In such case, DPD shall have discretion to determine the appropriate length of the extension.

Technical Assistance:

Grantees will have access to technical assistance to aid them in selecting contractors, obtaining bids, and drawing up proper work contracts.

Minority/Women-Owned Businesses (MAA/BE):

A directory of City of Chicago certified MA/VE contractors will be provided to all eligible applicants to encourage the hiring of such contractors under the program.

EXHIBIT 2 to Forty-Seventh Amending Agreement Form of

Counsel's Opinion

2016

City of Chicago
Department of Planning and Development 121 North
LaSalle Street Suite 1000
Chicago, Illinois 60602

RE: Amending Agreement to Administrative Services Agreement (the "Agreement")

Ladies and Gentlemen:

I have acted as counsel for SomerCor 504, Inc., an Illinois not-for-profit corporation ("SomerCor"), in connection with the execution and delivery of the Agreement by and between SomerCor and the City of Chicago, acting by and through its Department of Planning and Development (the "City"). SomerCor has requested that this opinion be furnished to the City.

In so acting as counsel for SomerCor I have examined:

- i) an executed original of the Agreement;
- ii) the Articles of Incorporation, including all amendments thereto, of SomerCor as furnished and certified by the Secretary of State of the State of Illinois;
- (iii) the By-Laws of SomerCor, as certified by the Secretary of SomerCor as of the date hereof; and
- (iv) the Certificate of Good Standing dated _____, issued by the Office of the Secretary of State of the State of Illinois, as to the good standing of SomerCor.

In my capacity as counsel, I have also examined such other documents or instruments as I have deemed relevant for the purposes of rendering the opinions hereinafter set forth.

I have also assumed, but have no reason to question, the legal capacity, authority and the genuineness of the signatures of and due and proper execution and delivery by the respective parties other than SomerCor which has made, executed or delivered or will make, execute and deliver the agreements and documents examined by me.

I express no opinion as to (i) the laws of any state or jurisdiction other than the State of Illinois (and

any political subdivisions thereof) and the United States of America; and (ii) any matters pertaining or relating to the securities laws of the United States of America, the State of Illinois or any other state.

22

Based upon and subject to the assumptions and qualifications herein stated, it is my opinion that:

1. SomerCor is a not-for-profit corporation, duly organized and validly existing under the laws of the State of Illinois, SomerCor has made all filings required by the laws of the State of Illinois in respect of its formation and continuing existence, and has all requisite authority to carry on its business and to execute and deliver, and to consummate the transactions contemplated by, the Agreement.
2. The Agreement has been duly executed and delivered on behalf of SomerCor, and constitutes a legal, valid and binding obligation of SomerCor, enforceable against SomerCor in accordance with its terms, except to the extent that enforcement of any such terms may be limited by: (a) applicable bankruptcy, reorganization, debt arrangement, insolvency or other similar laws generally affecting creditors' rights; or (b) judicial and public policy limitations upon the enforcement of certain remedies including those which a court of equity may in its discretion decline to enforce.
3. There is no action, suit or proceeding at law or in equity pending, nor to my knowledge threatened, against or affecting SomerCor, before any court or before any governmental or administrative agency, which if adversely determined could materially and adversely affect the ability of SomerCor to perform under the Agreement or any of its business or properties or financial or other conditions.
4. The transactions contemplated by the Agreement are governed by the laws of the State of Illinois.
5. The execution and delivery of the Agreement and the consummation of the transactions contemplated thereby will not constitute:
 - A. a violation or breach of (i) the Articles of Incorporation of SomerCor, (ii) the By-Laws of SomerCor, (iii) any provision of any contract or other instrument to which SomerCor is bound, or (iv) any order, writ, injunction, decree, statute, rule or regulation binding on SomerCor, or
 - B. a breach of any of the provisions of, or constitute a default under, or result in the creation or imposition of any lien or encumbrance upon any of the property of SomerCor pursuant to any agreement or other instrument to which SomerCor is a party or by which SomerCor is bound.
6. No action of, or filing with, any governmental or public body is required to authorize, or is otherwise required for the validity of, the execution, delivery and performance of any of the Agreement.

This opinion is furnished for your benefit and may be relied upon by you and any such other party in connection with the Agreement, but may not be delivered to or relied upon by any other person or entity without written consent from the undersigned.

Very truly yours,

CHICAGO, October 5, 2016

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an Ordinance concerning the execution of grant agreements pursuant to the Small Business Fund (SPIF) Program, and having been presented with a proposed substitute Ordinance by the Department of Planning and Development; and having had the same under advisement, begs leave to report and recommend that Your Honorable Body pass the Substitute Ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

Carrie M. Austin Chairman