



Office of the City Clerk

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Legislation Details (With Text)

File #: O2019-7100
Type: Ordinance
Status: Passed
File created: 9/18/2019
In control: City Council
Final action: 10/16/2019
Title: Second amendment to redevelopment agreement with Primestor 119 LLC for certain retail and business office space within 119th/I-57 Tax Increment Financing (TIF) Redevelopment Project Area
Sponsors: Lightfoot, Lori E.
Indexes: Redevelopment
Attachments: 1. O2019-7100.pdf

Date	Ver.	Action By	Action	Result
10/21/2019	1	Office of the Mayor	Signed by Mayor	
10/16/2019	1	City Council	Passed	Pass
9/18/2019	1	City Council	Referred	

ORDINANCE

WHEREAS, pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1, et seq.) (the "Act"), the City Council (the "City Council") of the City of Chicago (the "City") adopted the following ordinances on November 6, 2002 published at pages 95329 - 95463 of the Journal of the Proceedings of the City Council (the "Journal") for such date: (1) an ordinance approving a certain redevelopment plan and project (the "Original Plan") for the 119th/I-57 Redevelopment Project Area (the "Original Project Area"); (2) an ordinance designating the Original Project Area as a redevelopment project area pursuant to the Act; and (3) an ordinance adopting tax increment allocation financing pursuant to the Act as a means of financing certain redevelopment project costs (as defined in the Act) incurred pursuant to the Original Plan within the Original Project Area; and

WHEREAS, pursuant to an ordinance adopted by the City Council on October 14, 2015, and published at pages 8778 - 9022 of the Journal for such date, the City Council approved: (1) the expansion of the boundaries of the Original Project Area and the definition of such expanded area as a redevelopment project area under the Act to be known as the 119th Street/and I-57 Redevelopment Project Area Amendment Number 1 (the "Expanded Area"), and (2) a redevelopment plan and project for the Expanded Area (the "Amended Plan"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on October 14, 2015, and published at pages 9023 - 9030 of the Journal for such date, the Expanded Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on October 14, 2015, and published at pages 9031 - 9038 of the Journal for 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 Amended Plan within the Expanded Area; and

WHEREAS, pursuant to an ordinance adopted by the City Council on June 13, 2007, and published at pages 2402 - 2532 of the Journal for such date, the City entered into that certain Primestor 119, LLC

Redevelopment Agreement ("Original RDA") dated as of June 20, 2008 and recorded on June 24, 2008 as Document Number 0817633145 in the Office of the Cook County Recorder of Deeds (the "Recorder") by the City and Primestor 119, LLC (the "Developer"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on November 11, 2009, and published at pages 74132 - 74169 of the Journal for such date, the City entered into that certain First Amendment to Primestor 119 LLC Redevelopment Agreement (the Original RDA, as so amended, the "RDA") with the Developer dated as of March 17, 2010 and recorded with the Recorder on March 17, 2010 as Document Number 1007622089; and

WHEREAS, the City desires to amend the RDA to, among other things, consent to the occupancy of a portion of the Facility (as defined in the RDA) for office use, initially as a customer servicing center and a customer, community and health education center; 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 Commissioner (the "Commissioner") of the City's Department of Planning and Development ("DPD") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel, to negotiate, execute and deliver the Second Amendment to Primestor 119 LLC Redevelopment Agreement by the City and the Developer in substantially the form attached hereto as Exhibit A and made a part hereof (the "Second Amendment"), and such other supporting documents as may be necessary to carry out and comply with the provisions of the Second Amendment, with such changes, deletions and insertions as shall be approved by the persons executing the Second Amendment on behalf of the City. The Commissioner or a designee of the Commissioner is each hereby authorized to give such approvals and consents on behalf of the City as are expressly provided for in the Second Amendment.

SECTION 3. 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 4. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall be in full force and effect immediately upon its passage and approval.

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Exhibit A

Second Amendment to Redevelopment Agreement

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[leave blank 3" x 5" space for¹ recorder's office]

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

SECOND AMENDMENT TO PRIMESTOR 119 LLC REDEVELOPMENT AGREEMENT

This Second Amendment to Primestor 119 LLC Redevelopment Agreement (this "Amendment") is made as of this day of , 2019, the date that the conditions **described in Article II of this Amendment have been complied with to the City's satisfaction (the "Effective Date")** by and between, the City of Chicago, an Illinois municipal corporation (the "City"), acting by and through its Department of Planning and Development ("DPD"), formerly known as the Department of Community Development, and Primestor 119, LLC, a Delaware limited liability company (the "Developer").

DTP IT" A I O

A. Developer and the City entered into a Primestor 119 LLC Redevelopment Agreement dated as of June 20, 2008 and recorded with the Cook County Recorder of Deeds (the "Recorder") on June 24, 2008 as Document No. 0817633145, as amended by First Amendment to Primestor 119 LLC Redevelopment Agreement dated as of March 17, 2010 and recorded with the Recorder on March 17, 2010 as Document No. 1007622089 (as amended, the "RDA"), pursuant to which the City provided additional financing to assist Developer in completing the Project (as defined in the RDA), which is located on the property described in Exhibit A attached hereto (the "Property"). Capitalized terms not otherwise defined in this Amendment shall have the meanings given them in the RDA.

B. The parties desire to amend the RDA to, among other things, consent to the occupancy of a portion of the Facility for office use, initially as a customer servicing center and a customer, community and health education center.

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:

ARTICLE I. RECITALS

The foregoing recitals are hereby incorporated into this Amendment by reference and made a contractual part hereof.

ARTICLE II. CLOSING CONDITIONS

The effectiveness of this Amendment is subject to the covenants and agreements contained herein, and the satisfaction of the following conditions and deliveries to the City (collectively, the "Closing Conditions"):

- a) Amendment. The execution of this Amendment by all parties and the recording of this Amendment;
- b) Title. The Developer has furnished a date down endorsement to the Title Policy for the Property, certified by the Title Company, dated within ten days before the date this Amendment is signed, showing the Developer as the named insured, satisfying the requirements described in Section 5.05 of the RDA and noting the recording of this Amendment as an encumbrance against the Property;
- c) Evidence of Clean Title. The Developer, at its own expense, has provided searches, updated within twenty days before the date this Amendment is signed, as described under Section 5.06 of the RDA, showing no liens against the Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens;
- d) Opinion of the Developer's Counsel. The Developer has furnished an opinion of counsel, substantially in the form attached[^] as Exhibit J to the RDA, with such changes as required by or acceptable to Corporation Counsel;
- (e) Other Documents. The Developer has delivered the following documents accompanied by a certificate of the secretary or authorized officer of each entity certifying them as true, correct and complete copies that have not been amended or modified: (i) Articles of Organization or Articles of Incorporation, as applicable, (ii) good standing certificate, (iii) written consent or resolutions authorizing the execution of this Amendment, (iv) evidence of incumbency, and (v) operating agreement or bylaws, as applicable. The Developer has delivered Economic Disclosure Statement(s), in the City's then current form, dated the date hereof. The Developer has delivered a copy of the lease or memorandum of lease evidencing the BCBSIL Use, together with an acknowledgement from the owner of the parcel subject to the BCBSIL Use, with respect to the recording of this Amendment; and

(f) Planned Development Approval. The Developer has obtained site plan approval required under the Planned Development necessary to permit the BCBSIL Use.

ARTICLE III. AMENDMENTS TO AGREEMENT

A. Department. Throughout the RDA, all references to the "Department of Community Development" and "DCD" are deleted and replaced by references to the "Department of Planning and Development" and "DPD", respectively.

B. Recital D. Recital D to the RDA is amended by deleting the first sentence of the third paragraph and replacing it with the following:

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Version B of the project ("Version B") will contain (a) the BCBSIL Use (as defined below) (the BCBSIL Use or such other use approved by DPD in its sole discretion, "Anchor Store B"; together with Anchor Stores A, as applicable, the "Anchor Stores"), (b) at least three Junior Anchors, including a Jewel Store (as defined below) (c) eight Out-lot Stores, (d) several In-line Stores and (e) approximately 1,790 off-street parking spaces. The "BCBSIL Use" shall mean the occupancy of approximately 129,000 square feet by BCBSIL (as defined below) for office use, initially for primary use as a customer servicing center anticipated, though not covenanted, to employ approximately 450 to 575 BCBSIL staff, with other ancillary uses, including, without limitation, as a customer, community and health education center; provided, that, so long as BCBSIL occupies at least 69,000 square feet, "BCBSIL Use" shall include occupancy by designees or sub lessees of BCBSIL. "BCBSIL" shall mean Health Care Service Corporation, a Mutual Legal Reserve Company ("HCSC") operating in Illinois as Blue Cross and Blue Shield of Illinois, or any entity directly or indirectly controlling, controlled by or under common control with HCSC.

C. Exhibit O. Exhibit O to the RDA, OEA Provisions, is hereby deleted in its entirety and replaced by Exhibit O to this Amendment.

ARTICLE IV COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE DEVELOPER

The Developer covenants, represents and warrants that:

a) such party has the right, power and authority to enter into, execute, deliver and perform this Amendment. The execution, delivery and performance by such party of this Amendment have been duly authorized by all necessary action, and do not and will not violate its Articles of Organization, Articles of Incorporation, Operating Agreement or Bylaws, as applicable, any applicable provision of law, or constitute a breach of, default under or require the consent under any agreement, instrument or document to which such party is now a party or by which such party is now or may become bound;

b) such party is not in default with respect to any provision of the RDA, the Junior Mortgage, the agreements evidencing the Lender Financing or any related agreements; and

c) the Developer agrees to diligently pursue and deliver to DPD evidence satisfactory to DPD in its reasonable discretion regarding the proposed installation of a permanent traffic signal to be located at approximately 1732 West 119th Street, Chicago, Illinois.

ARTICLE V. MISCELLANEOUS

A. Limitation of Liability. No member, official or employee of the City shall be personally liable to any party to this Amendment or any successor in interest in the event of any default or breach by the City or any successor in interest or for any amount which may become due to any party to this Amendment from the City or any successor in interest or on any obligation under the terms of this Amendment and the RDA.

B. No Effect on Recording Priority of RDA or Subordination Agreement. The parties agree that entering into this Amendment shall have no effect on the recording priority of the RDA (or any outstanding subordination agreement that might relate thereto), and that this Amendment

shall relate back to the dates that each of the RDA (or any outstanding subordination agreement that might relate thereto) were originally recorded in the land title records of Cook County, Illinois.

C. No Change in Defined Terms. All capitalized terms not otherwise defined herein, shall have the same meanings as set forth in the RDA.

D. Other Terms in the RDA Remain; Conflict.

1) Except as explicitly provided in this Amendment, all other provisions and terms of the RDA shall remain unchanged.

2) In the event of a conflict between any provisions of this Amendment and the provisions of the RDA, the provisions of this Amendment shall control. Other than as specifically modified hereby, the terms and conditions of the RDA shall remain in effect with respect to the parties thereto.

E. Representations and Warranties of the Developer. The Developer acknowledges and agrees that, notwithstanding any other terms or provisions of this Amendment to the contrary, the Developer shall remain liable for all of its obligations and liabilities under the RDA, as amended by this Amendment.

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

G. Recording and Filing. The Developer shall cause this Amendment to be recorded and filed on the date hereof against the Property legally described in Exhibit A hereto in the conveyance and real property records of the county in which the Property is located. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Amendment showing the date and recording number of record.

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

I. Counterparts. This Amendment 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.

J. Governing Law. This Amendment 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.

K. Binding Effect. This Amendment shall be binding upon the Developer and the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Developer and the City and their respective successors and permitted assigns (as provided herein).

L. No Business Relationship with City Elected Officials. Pursuant to Section 2-156-

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030(b) of the Municipal Code of Chicago, 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 official has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion of 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. Violation of Section 2-156-030(b) by any elected official, or any person acting at the direction of such official, with respect to the RDA or this Amendment or in connection with the transactions contemplated hereby and thereby, shall be grounds for termination of the RDA or this Amendment and the transactions contemplated hereby and thereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Amendment or the transactions contemplated thereby.

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

N. Exhibits. All of the exhibits attached hereto are incorporated herein by reference. [THE

REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

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IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed as of the day and year first above written.

CITY OF CHICAGO, acting by and through its Department
of Planning and Development

By:
Name: Eleanor G. Gorski Title: Acting
Commissioner

PRIMESTOR 119, LLC,
a Delaware limited liability company

By: PRISA LHC, LLC, a Delaware limited liability company,
Its sole member and manager

By:
Vice President

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STATE OF _ COUNTY OF

_)) SS

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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 Vice President of PRISA LHC, LLC, a Delaware limited liability company, the sole member and manager of
Primestor 119, LLC, a Delaware limited liability company (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 Developer, as his/her free and voluntary act and as the free and voluntary act of the
Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this _____ th day of _____, 2019.

Notary Public

My Commission Expires.

(SEAL)

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STATE OF ILLINOIS)
COUNTY OF COOK)) SS

I, _____, a notary public in and for the said County, in the State
aforesaid, DO HEREBY CERTIFY that Eleanor G. Gorski, personally known to me to be the Acting
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 she signed, sealed, and delivered said
instrument pursuant to the authority given to her by the City, as her free and voluntary act and as the free and
voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this _____ th day of _____, 2019.

Notary Public

My Commission Expires

EXHIBIT A

The Property

PARCEL 1:

THAT PART OF LOTS 1, 2 AND 3 IN THE RESUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 19, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD COMPANY), LYING SOUTHWESTERLY; WESTERLY, AND NORTHERLY OF THE FOLLOWING DESCRIBED LINES; BEGINNING AT POINT ON THE NORTH LINE OF SAID LOT 1 WHICH IS 307 FEET WEST OF THE NORTHEAST CORNER THEREOF (AS MEASURED ALONG SAID NORTH LINE) AND RUNNING; THENCE SOUTHEASTERLY A DISTANCE OF 21.17 FEET TO AN INTERSECTION WITH A LINE WHICH IS 332 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE SOUTHEAST 1/4 AFORESAID, SAID INTERSECTION BEING 15 FEET SOUTH OF THE AFOREMENTIONED NORTH LINE OF LOT 1 (MEASURED AT RIGHT ANGLES THERETO); THENCE SOUTH ALONG SAID PARALLEL LINE A DISTANCE OF 673.30 FEET TO A POINT WHICH IS 1932.12 FEET NORTH OF AND 332 FEET WEST OF THE SOUTHEAST CORNER OF SAID SOUTHEAST 1/4 (AS MEASURED, RESPECTIVELY, ALONG THE EAST LINE THEREOF AND AT RIGHT ANGLES THERETO); THENCE SOUTHEASTERLY ALONG A LINE WHICH, EXTENDED, PASSES THROUGH A POINT 1305.81 FEET NORTH OF AND 299.52 FEET WEST OF THE SOUTHEAST CORNER OF SAID SOUTHEAST 1/4 (AS MEASURED, RESPECTIVELY, ALONG THE EAST LINE THEREOF AND AT RIGHT ANGLES THERETO) A DISTANCE OF 87.43 FEET TO A POINT ON A LINE WHICH IS 775.62 FEET SOUTH OF (MEASURED AT RIGHT ANGLES THERETO) AND PARALLEL WITH THE NORTH LINE OF LOT 1 AFORESAID; THENCE WEST ALONG SAID PARALLEL LINE A DISTANCE OF 282.53 FEET TO A POINT ON A LINE WHICH IS 610 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE SOUTHEAST 1/4 AFORESAID; THENCE SOUTH ALONG THE LAST DESCRIBED PARALLEL LINE A DISTANCE OF 414.00 FEET TO A POINT ON A LINE WHICH IS 1,189.62 FEET SOUTH OF (MEASURED AT RIGHT ANGLES THERETO) AND PARALLEL WITH THE NORTH LINE OF LOT 1 AFORESAID; THENCE WEST ALONG THE LAST DESCRIBED PARALLEL LINE A DISTANCE OF 80.00 FEET TO POINT ON A LINE WHICH IS 690 FEET WEST OF (MEASURED AT RIGHT ANGLES THERETO) AND PARALLEL WITH THE EAST LINE OF THE SOUTHEAST 1/4 AFORESAID; THENCE SOUTH ALONG THE LAST DESCRIBED PARALLEL LINE A DISTANCE OF 109.84 FEET TO A POINT ON

THE SOUTH LINE OF LOT 3 AFORESAID; THENCE WEST ALONG SAID SOUTH LINE A DISTANCE OF 276.29 FEET TO THE SOUTHWEST CORNER OF SAID LOT 3; IN COOK COUNTY, ILLINOIS.

PARCEL 2:

ALL OF LOTS 1 TO 6 IN THE RESUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 19, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THAT PART OF THE LAND TAKEN IN CONDEMNATION CASE 03L50655) AND (EXCEPT THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND

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PACIFIC RAILROAD COMPANY) AND EXCEPT THAT PART OF SAID LOTS LYING EASTERLY OF THE FOLLOWING DESCRIBED LINES:

BEGINNING IN THE SOUTH LINE OF SAID LOT 6, 352 FEET WEST OF THE EAST LINE OF SAID 1/4 SECTION (AS MEASURED IN SAID SOUTH LINE); THENCE NORTHEASTERLY TO A POINT, 58 FEET NORTH OF AND 332 FEET WEST OF THE SOUTHEAST CORNER OF SAID SOUTHEAST 1/4 (AS MEASURED NORTH IN THE EAST LINE THEREOF AND AT RIGHT ANGLES THEREOF); THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID 1/4 SECTION A DISTANCE OF 421.62 FEET; THENCE NORTHEASTERLY TO A POINT 1105.81 FEET NORTH OF AND 299.52 FEET WEST OF THE SOUTHEAST CORNER OF SAID 1/4 SECTION (AS MEASURED NORTH IN THE EAST LINE THEREOF AND AT RIGHT ANGLES THERETO); THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID 1/4 SECTION A DISTANCE OF 200 FEET; THENCE NORTHWESTERLY TO A POINT 1932.12 FEET NORTH OF AND 332 FEET WEST OF THE SOUTHEAST CORNER OF SAID 1/4 SECTION (AS MEASURED IN THE EAST LINE THEREOF AND AT RIGHT ANGLES THERETO); THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID 1/4 SECTION TO THE INTERSECTION WITH A LINE 15 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF LOT 1 AFORESAID, THENCE NORTHWESTERLY TO THE NORTH LINE OF SAID LOT 1, 307 FEET WEST OF THE NORTHEAST CORNER THEREOF (AS MEASURED IN SAID NORTH LINE), AND ALSO EXCEPTING THEREFROM THAT PART OF LOTS 1, 2 AND 3 IN THE RESUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 19, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD COMPANY), LYING SOUTHWESTERLY, WESTERLY, AND NORTHERLY OF THE FOLLOWING DESCRIBED LINES:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID LOT 1 WHICH IS 307 FEET WEST OF THE NORTHEAST CORNER THEREOF (AS MEASURED ALONG SAID NORTH LINE) AND RUNNING; THENCE SOUTHEASTERLY A DISTANCE OF 21.17 FEET TO AN INTERSECTION WITH A LINE WHICH IS 332 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE SOUTHEAST 1/4 AFORESAID, SAID INTERSECTION BEING 15 FEET SOUTH OF THE AFOREMENTIONED NORTH LINE OF LOT 1 (MEASURED AT RIGHT ANGLES THERETO); THENCE SOUTH ALONG SAID PARALLEL LINE A DISTANCE OF 673.30 FEET TO A POINT WHICH IS 1932.12 FEET NORTH OF AND 332 FEET WEST OF THE SOUTHEAST CORNER OF SAID SOUTHEAST 1/4 (AS MEASURED, RESPECTIVELY, ALONG THE EAST LINE THEREOF AND AT RIGHT ANGLES THERETO); THENCE SOUTHEASTERLY ALONG A LINE WHICH, EXTENDED, PASSES THROUGH A POINT 1305.81 FEET NORTH OF AND 299.52 FEET WEST OF THE SOUTHEAST CORNER OF SAID SOUTHEAST 1/4 (AS MEASURED, RESPECTIVELY, ALONG THE EAST LINE THEREOF AND AT RIGHT ANGLES THEREOF) A DISTANCE OF 87.43 FEET TO A POINT ON A

LINE WHICH IS 775.62 FEET SOUTH OF (MEASURED AT RIGHT ANGLES THERETO) AND PARALLEL WITH THE NORTH LINE OF LOT 1 AFORESAID; THENCE WEST ALONG SAID PARALLEL LINE A DISTANCE OF 282.53 FEET TO A POINT ON A LINE WHICH IS 610 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE SOUTHEAST 1/4 AFORESAID; THENCE SOUTH ALONG THE LAST DESCRIBED PARALLEL LINE A DISTANCE OF 414.00 FEET TO A POINT ON A LINE WHICH IS 1,189.62 FEET SOUTH OF (MEASURED AT RIGHT ANGLES THERETO) AND PARALLEL WITH THE NORTH LINE OF LOT 1 AFORESAID; THENCE WEST ALONG THE LAST DESCRIBED PARALLEL LINE A

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DISTANCE OF 80.00 FEET TO A POINT ON A LINE WHICH IS 690 FEET WEST OF (MEASURED AT RIGHT ANGLES THERETO) AND PARALLEL WITH THE EAST LINE OF THE SOUTHEAST 1/4 AFORESAID; THENCE SOUTH ALONG THE LAST DESCRIBED PARALLEL LINE A DISTANCE OF 109.84 FEET TO A POINT ON THE SOUTH LINE OF LOT 3 AFORESAID; THENCE WEST ALONG SAID SOUTH LINE A DISTANCE OF 276.29 FEET TO THE SOUTHWEST CORNER OF SAID LOT 3; IN COOK COUNTY, ILLINOIS.

Property Identification Numbers:

25-19-417-017
018
417-020
19-417-022
25-19-417-024

25-19-417-019
25-19-417-021

25-19-417-
25-19-
25-
25-19-417-023

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EXHIBIT O OEA Provisions (Attached)

Exhibit O

OEA Provisions

Terms used without definition in this Exhibit O shall have the meanings given them in the Amended and Restated Operation and Easement Agreement between the Developer, Target Corporation and Jewel Food Stores, Inc. dated as of March 14, 2008 (the "OEA Agreement").

The Shopping Center shall be used only for retail sales, offices, Restaurants or other permitted commercial purposes. "Business Office" shall mean an office which does not provide services directly to consumers; "Retail Office" shall mean an office which provides services directly to consumers, including but not limited to financial institutions, real estate, stock brokerage and title companies, travel and insurance agencies, and medical, dental and legal clinics. No more than twenty percent (20%) of the total Floor Area on each of the Developer Tract and the Jewel/Osco Tract may be used for Retail Office purposes. No more than twenty percent (20%) of the Developer Tract and/or the Jewel/Osco Tract shall be used for Business Office purposes; provided however, that in no event shall Outparcel 1, Outparcel 2A, Outparcel 2B, Outparcel 3, Outparcel 4, Outparcel 5 and/or Outparcel 6 be used for Business Office purposes. Notwithstanding the foregoing sentence, office space used by an Occupant for administrative purposes, and which is not open to the general public, shall not be considered Retail Office or Business Office for the purpose of this limitation. Business Office and Retail Office use is not restricted on the Target Tract.

No use shall be permitted within the Shopping Center which is inconsistent with the operation of a first-class retail shopping center. Without limiting the generality of the foregoing, the following

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- A) Any use which emits an obnoxious odor, noise or sound which can be heard or smelled outside of any Building in the Shopping Center; provided that the following shall be permitted: background music and customer paging which is heard outside of a Building as is consistent with the operation of other first class shopping centers so long as such music and paging is not heard on the Target Tract.
- B) An operation primarily used as a storage warehouse operation and any assembling, manufacturing, distilling, refining, smelting, agricultural or mining operation.
- C) Any "second hand" store, "surplus" store, or pawn shop; provided that this prohibition shall not prohibit (1) the sale and/or leasing by a store of used DVDs, used CDs, or used video games so long as no more than a total of 15% of such store's gross sales in the Shopping Center are collectively from the sale of used DVDs, used CDs and used video games and the lease of used DVDs, used CDs and used video games, and (2) first class antique stores.

D) Any mobile home park, trailer court, labor camp, junkyard, or stockyard; provided, however, this prohibition shall not be applicable to the temporary use of construction trailers during periods of construction, reconstruction or maintenance.

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- E) Any dumping, disposing, incineration or reduction of garbage; provided, however, this prohibition shall not be applicable to garbage compactors located near the rear of any Building.
- F) Any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation.
- G) Any central laundry, dry cleaning plant or laundromat; provided, however, this prohibition shall not be applicable to nominal supportive facilities for on-site service oriented to pickup and delivery by the ultimate consumer as the same may be found in retail shopping centers in the metropolitan area where the Shopping Center is located.
- H) Any body shop repair operation, including lubrication and/or service center that stores vehicles outdoors overnight and/or body or fender shop, provided that (i) a muffler and brake repair and installation facility, and a tire, battery and auto repair and installation facility shall be permitted on Outparcel 7 and (ii) the Party for Outparcel 7 may not enforce the restriction in this clause against any other Parcel.
- (I) Any automobile, truck, trailer, boat or recreational vehicle sales, leasing, display or storage; provided that the foregoing restriction shall not prohibit the incidental operation of the foregoing in connection with an otherwise permitted use.
- (J) Any bowling alley or skating rink.
- (K) Any movie theater or live performance theater.
- (L) Any hotel, motel, short or long term residential use, including but not limited to: single family dwellings, townhouses, condominiums, other multi-family units, and other forms of living quarters, sleeping apartments or lodging rooms.
- (M) Any veterinary hospital or animal raising or boarding facility; provided, however, this prohibition shall not be applicable to pet shops. Notwithstanding the foregoing exception, any veterinary or boarding services provided in connection with the operation of a pet shop shall only be incidental to such operation; the boarding of pets as a separate customer service shall be prohibited; all kennels, runs and pens shall be located inside the Building; and the combined incidental veterinary and boarding facilities shall occupy no more than fifteen percent (15%) of the Floor Area of the pet shop.
- (N) Any mortuary or funeral home.
- (O) Any establishment selling or exhibiting "obscene" material.
- (P) Any head shop or establishment selling or exhibiting drug-related paraphernalia or which exhibits either live or by- other means to any degree, nude or scantily clad dancers or wait staff.

- (Q) Any bar, tavern, Restaurant or other establishment whose reasonably projected annual gross revenues from the sale of alcoholic beverages for on-premises consumption exceeds forty percent (40%) of the gross revenues of such business.
- (R) No health spa, fitness center or workout facility exceeding 3,500 square feet of Floor Area, except on Outparcel 7, and in no event shall any such operation on the Developer Tract or the Jewel/Osco Tract be located within three hundred (300) feet of the Target Tract.-
- (S) Any massage parlors or similar establishments.
- (T) Any flea market, car wash or dance hall.
- (U) Any amusement or video arcade, pool or billiard hall; provided, however, the foregoing restriction shall not prohibit (i) the incidental operation of the foregoing in connection with an otherwise permitted use or (ii) a family centered facility combining restaurant and entertainment activities such as Dave & Buster's or Chuck E. Cheese from using game machines so long as, if located on the Developer Tract or the Jewel/Osco Tract, such operations are located at least three hundred (300) feet from the main entrance to the Target Building.
- (V) Any training or educational facility, including but not limited to: beauty schools, barber colleges, reading rooms, places of instruction or other operations catering primarily to students or trainees rather than to customers; provided, however, this prohibition shall not be applicable to (i) on-site employee training by an Occupant incidental to the conduct of its business at the Shopping Center and (ii) this restriction shall not be deemed to preclude the operation of facilities such as Weight Watchers, Sylvan Learning Centers or similar first class operations, not to exceed three thousand (3,000) square feet of Floor Area so long as, if located on the Developer Tract or the Jewel/Osco Tract, such operations are located at least three hundred (300) feet from the Target Tract.
- (W) Any gambling facility or operation, including but not limited to: off track or sports betting parlor; table games such as blackjack or poker; slot machines, video poker/blackjack/keno machines or similar devices; or bingo hall. Notwithstanding the foregoing, this prohibition shall not be applicable to government sponsored gambling activities or charitable gambling activities, so long as such activities are incidental to the business operation being conducted by the Occupant.

No Party shall use, or permit the use of, Hazardous Materials on, about, under or in its Tract, or the balance of the Shopping Center, except in the ordinary course of its usual business operations conducted thereon, and any such use shall at all times be in compliance with all Environmental Laws. Each Party agrees to defend; protect, indemnify and hold harmless each other Party from and against all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including but not limited to costs of investigation, remedial or removal response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Party, whether or not in the ordinary course of business.

For the purpose of this Section 5.1.3, the term (i) "Hazardous Materials" shall mean and refer to the following: petroleum products and fractions thereof, asbestos, asbestos containing materials, urea formaldehyde, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials, substances and wastes listed or identified in, or regulated by, any Environmental Law, and (ii) "Environmental Laws" shall mean and refer to the following: all federal, state, county, municipal, local and other statutes, laws, ordinances and regulations which relate to or deal with human health or the environment, all as may be amended from time to time.

No merchandise, equipment or services, including but not limited to vending machines, promotional devices and similar items, shall be displayed, offered for sale or lease, or stored within the Common Area; provided, however, the foregoing prohibition shall not be applicable:

- (X) the storage of shopping carts on the Target Tract and the Jewel/Osco Tract, or with respect to the Developer Tract in connection with an Occupant that operates a retail business in at least [fifty (50)] locations serving the public across the United States (or ten (10) locations in the State of Illinois) and uses shopping carts as part of its normal operation;
- (Y) the installation of an "ATM" banking facility within an exterior wall of any Building;
- (Z) the display and sale of items related to the Occupant's retail business at the Shopping Center on the sidewalk in front of any Building located on the Target Tract or the Developer Tract (the "Sidewalk Sales Area"); provided, however, such Occupant shall be responsible for the cleaning and maintenance of such Sidewalk Sales Area during such periods it is used for this purpose, and provided further that such display and sale shall be temporary (not to exceed five (5) consecutive days in duration), and shall be conducted in a first class manner consistent with the standards of a first class shopping center, and within any calendar year there shall be no more than three (3) such sidewalk sales on each Party's Tract;
- (AA) the placement of bicycle racks and landscaping planters on the sidewalk in front of any Building;
- (BB) the placement of spherical bollards (Target's brand) on the sidewalk in front of any Building on the Target Tract;
- (CC) temporary Shopping Center promotions, except that no promotional activities will be allowed in the Common Area without the prior written approval of the Approving Parties;
- (DD) any recycling center required by law, the location of which shall be subject to the approval of the Approving Parties;
- (EE) outdoor seating shown on the Site Plan, or
- (FF) any designated Outside Sales Area; provided, however, with respect to any Outside Sales Area which is not included within a Building Area, such space may

be used not more than three (3) times per calendar year for all permitted activities and the duration of such use shall be subject to the following limitations: during the period commencing on October 15th and ending on December 27th -no limitation on the number of days of consecutive use; during the period commencing February 15th and ending on July 10th - not more than one hundred twenty-five (125) consecutive days of use; and, during any other period -- not more than thirty (30) consecutive days of use.

The following use and occupancy restrictions shall be applicable to the Developer Tract and the Jewel/Osco Tract:

- (GG) No Restaurant shall be located within three hundred (300) feet of the Target Tract; provided however, that this restriction shall not be applicable to (x) Quick Serve Restaurants, (y) a Restaurant located on Outparcel 1 and/or Outparcel 6 and/or (z) a Restaurant of not more than 3,500 square feet of Floor Area offering "counter service" only on Outparcel 5. A "quick Serve Restaurant" is a Restaurant occupying not more than 2,200 square feet of Floor Area offering "counter service" only and limited seating.
- (HH) Intentionally Omitted.
- (II) No store, department or operation of any size selling or offering for sale any pharmaceutical drugs requiring the services of a licensed pharmacist shall be permitted (a "Pharmacy"); provided however, that this clause shall not prohibit the operation of any Pharmacy operation integrated with a supermarket business, of not less than ■ 40,000 square feet so long as such operation (i) is operated under the same trade name as the supermarket, (ii) does not have an exterior entrance separate from the entrance to such supermarket and (iii) except as to the Jewel/Osco Tract, does not have a drive up facility. The terms of the immediately preceding sentence shall cease to apply and shall no longer be in force if (x) [1] a Pharmacy (as defined above) is not operating on the Target Tract for a continuous period of 36 months (or if Target is operating without a Pharmacy for a continuous period of 12 months) after the date of this OEA, [2] after said 36 month period, or 12 month period, as the case may be, Developer provides Target with written notice that the Pharmacy exclusive under Section 5.1.5(C) of this OEA is at risk of expiring, and [3] a Pharmacy is not operating on the Target Tract within twelve (12) months after Target's receipt of said notice, or (y) [i] a Pharmacy is operating on the Target Tract within a period of 36 months, or 12 months, as the case may be, after the date of this OEA, but after said initial operation of a Pharmacy on the Target Tract, there is no Pharmacy operating on the Target Tract for a continuous period of thirty (36) months or longer (or if Target is operating without a Pharmacy for a continuous period of 12 months or longer), (ii) after said thirty-six (36) month period, or 12 month period, as the case may be, Developer provides Target with written notice that the Pharmacy exclusive under Section 5.1.5(C) of this OEA is at risk of expiring, and [iii] a Pharmacy is not operating on the Target Tract within twelve (12) months after Target's receipt of said notice. The above-referenced periods shall be extended pursuant to the provisions of Section 6.12 below.

- (JJ) No pet shop shall be located thereon within three hundred (300) feet of the Building Area located on the Target Tract.
- (KK) No gas/service, station and/or other facility that dispenses gasoline, diesel or other petroleum products as fuel shall be permitted except on Outparcel 7.
- (LL) No liquor store offering off-premises sale of alcoholic beverages within five hundred feet (500) feet of the Building Area on the Target Tract shall be permitted, nor shall any liquor store offering off-premises sale of alcoholic beverages exceeding 10,000 square feet of Floor Area be permitted, provided, however, the foregoing restriction shall not prohibit the incidental sale of liquor in connection with an otherwise permitted use, including the operation of a supermarket on the Jewel/Osco Tract.
- (MM) No liquor store offering off-premises sale of alcoholic beverages shall be permitted during any period a Jewel/Osco store is operating on the Jewel/Osco Tract, provided, however, that any liquor store which has an executed lease as of the date hereof shall be deemed permitted.
- (NN) No discount department store; provided, however, a club membership warehouse store shall not be prohibited hereby.

No part of the Developer Tract shall be used as (a) a supermarket, which shall be defined as any store or department containing more than 3,000 square feet of Floor Area, including aisle space and storage, primarily devoted to the retail sale of food for off-premises consumption; as a bakery or delicatessen, except any sandwich shop of less than 3,000 square feet including, without limitation, retailers such as Potbelly's Sandwich Works, Subway and Panera Bread; as a cigarette or smoke shop or any other store the primary business of which is to sell tobacco products and/or accessories; or for the sale of fresh or frozen meat, dairy, fish, poultry or produce for off-premises consumption, including, without limitation, retailers such as Omaha Steaks and Honeybaked Ham, provided, however, the use of premises located in the Shopping Center by Petco Animal Supplies Stores, Inc. for the sale of pet food, pet supplies, fish, birds, small animals, reptiles and related pet goods that will in no event include any food for human consumption, and ancillary to the foregoing, pet grooming, pet training, veterinary and related pet services, shall be expressly permitted, or (b) a dollar store within 400 feet of the Jewel/Osco Tract (which shall be defined as any store primarily devoted to the deep-discount retail sale of general merchandise and/or food for off-premises consumption including, without limitation, single price point retailers such as "All-a-Dollar," "99 Cents Only," "Family Dollar," "Greenbacks," "Dollar General" and "Big Lots."), provided, however, that no such dollar store shall be permitted to engage in the retail sale of dairy, fresh bread or fresh produce.

CITY OF CHICAGO

LORI E. LIGHTFOOT^{MAYOR}

September 18, 2019

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 an amendment of a previously executed redevelopment agreement with Primestor 119, LLC.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

CHICAGO October 16, 2019

To the President and Members of the City Council:

Your Committee on Finance having had under consideration an ordinance authorizing the approval of the Second Amendment to the redevelopment agreement with Primestor 119, LLC for certain retail and office space in the 119th/I-57 Tax Increment Financing (TIF) Redevelopment Area.

02019-7100

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Order Transmitted Herewith.

**This recommendation was concurred in by
of members of the committee with 0**

Respectfully submitted

(signed)

Chairman

DATED:' DATED: