



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
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Legislation Details (With Text)

File #: O2011-4276
Type: Ordinance
File created: 5/4/2011
Status: Passed
In control: City Council
Final action: 5/4/2011
Title: Redevelopment agreement with Mercy Hospital and Medical Center
Sponsors: Burke, Edward M.
Indexes: Redevelopment
Attachments: 1. O2011-4276.pdf

Date	Ver.	Action By	Action	Result
5/4/2011	1	City Council	Passed	Pass
5/4/2011	1	Committee on Finance	Direct Introduction	

CHICAGO May 4, 2010

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

An ordinance authorizing the Commissioner of the Department of Housing and Economic Development to enter into and execute an Amended Redevelopment Agreement with Mercy Hospital and Medical Center.

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

Ordinance Transmitted Herewith

This recommendation was concurred in by_(afiyi voce vote of members of the committee with_dissenting voters)}

Respectfully submitted

(signed) ^ Q-X^
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Chairman

City of Chicago Richard M. Daley, Mayor

Department of Housing and Economic Development

City Hall, Room 1000 121 North LaSalle Street Chicago, Illinois 60602 (312) 744-4190 (Voice) (312) 744-2271 (FAX) (312) 744-2578 (TTY)

TO THE HONORABLE, THE CHAIRMAN AND MEMBERS OF THE CITY COUNCIL

COMMITTEE ON FINANCE

April 29, 2011

<<http://www.cityofchicago.org>>

Ladies and Gentlemen:

I transmit herewith an ordinance authorizing an amendment to a previously passed redevelopment agreement with Mercy Hospital and Medical Center.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

BUILDING CHICAGO TOGETHER

**AN ORDINANCE OF THE CITY OF CHICAGO, ILLINOIS AUTHORIZING AN AMENDMENT TO REDEVELOPMENT AGREEMENT
ORDINANCE**

WHEREAS, pursuant to an ordinance adopted by the City Council (the "City Council") of the City of Chicago (the "City") on January 11, 2006, and published at pages 67751 - 67813 of the Journal of the Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (the "Plan") for the 26th and King Drive Tax Increment Redevelopment Project Area (the "Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1, et seq.) (the "Act"); and WHEREAS, pursuant to an ordinance adopted by the City Council on January 11, 2006, and published at pages 67814 - 67818 of the Journal of such date, the Area was designated as a redevelopment project area pursuant to the Act; and WHEREAS, pursuant to an ordinance adopted by the City Council on January 11, 2006, and published at pages 67819 - 67823 of the Journal of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and WHEREAS, pursuant to an ordinance adopted by the City Council on May 24, 2006; and published at pages 76288 - 76416 of the Journal of such date, the City entered into that certain Mercy Hospital and Medical Center Redevelopment Agreement ("RDA") dated as of August 23, 2006 and recorded on August 23, 2006 as Document Number 0623532073 in the Office of the Cook County Recorder of Deeds by and between the City and Mercy Hospital and Medical Center, an Illinois not-for-profit corporation (the "Developer"); and WHEREAS, the parties desire to amend the RDA to, among other things, modify the deadlines to complete the Project, extend the deadlines to comply with requirements to use MBEs and WBEs and subordinate the RDA to a loan which will be insured by the United States Department of Housing and Urban Development. 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:

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 Housing and Economic Development or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a First Amendment to the RDA by the City and Mercy Hospital and Medical Center in substantially the form attached hereto as Exhibit A and made a part hereof (the First Amendment"), and such other supporting documents as may be necessary to carry out and comply with the provisions of the First Amendment, with such changes, deletions and insertions as shall be approved by the persons executing the First Amendment. 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 First 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.

Attachments:

Exhibit A - First Amendment to Redevelopment Agreement

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[leave blank 3" x 5" space for 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

FIRST AMENDMENT TO MERCY HOSPITAL AND MEDICAL CENTER REDEVELOPMENT AGREEMENT

This First Amendment to Mercy Hospital and Medical Center Redevelopment Agreement

(this "Amendment") is made as of this _ day of June, 2011, 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 Housing and Economic Development ("HED"), formerly known as the Department of Planning and Development, and Mercy Hospital and Medical Center, an Illinois not-for-profit corporation (the "Developer").

RECITALS

A. Developer and the City have entered into a Mercy Hospital and Medical Center Redevelopment Agreement dated as of August 23, 2006 (the "RDA"), which was recorded with the Recorder of Deeds of Cook County on August 23, 2006 as Document No. 0623532073 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. In connection with obtaining Lender Financing, the Developer has requested that the City consent to the execution and recording of a New Mortgage against the Property. In addition, the Developer has requested that the City amend the RDA to modify the deadlines to complete the Project, extend the deadlines to comply with requirements to use MBEs and WBEs, to subordinate the RDA to a loan which will be insured by the United States Department of Housing and Urban Development, and otherwise to amend the RDA. '

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

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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 (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 the City with 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 the City with 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 the City with 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; provided, that if the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions were obtained by the Developer from its general corporate counsel.

(e) Corporate Documents; Economic Disclosure Statement. The Developer has delivered to the City 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.

(f) Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 of the RDA to complete the Project and satisfy its obligations under the RDA. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Effective Date that the proceeds thereof are available to be drawn upon by the

Developer as needed and are sufficient (along with other sources set forth in Section 4.01) to complete the Project. The

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Developer has delivered to HED a copy of the construction escrow agreement, if any, entered into by the Developer regarding the Lender Financing. Except for liens related to the HUD Loan, any liens against the Property in existence at the Effective Date have been subordinated to certain encumbrances of the City set forth in the RDA pursuant to a Subordination Agreement, in a form acceptable to the City, executed on or prior to the Effective Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

(g) Other Documents. The Developer has provided such other documents, agreements, instruments, certificates and affidavits as the City may require pursuant to all federal, state or local statutes, laws, regulations, ordinances, executive orders, codes, rules, orders, licenses, judgments, decrees or requirements. If required by HED, the Developer has received results of scofflaw and child support searches with respect to applicable principals of the Developer indicating that rip debts are owed.

ARTICLE III. AMENDMENTS TO RDA

The RDA is amended by making the following deletions, replacements and/or additions to the indicated Sections of the RDA:

Section	Deletion, replacement and/or addition
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Throughout the RDA	aAll references to "Department of Planning and Development" and "DPD" are Economic Development" and "HED", respectively.
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Exhibits	Delete Exhibit B-3 in its entirety and replace it with Exhibit B-3 attached to this "Exhibit Q * Form of Phase II Commencement Letter Exhibit R HUD-Required
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Table of Contents	After Section 5.15 Litigation add the following: "SECTION 5A. CONDITIONS number] 5A.01 Developer Obligations [add page number] 5A.02 City Action
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Recitals	After Recital F add the following: G. HUD-Required Provisions: The Developer 242 of the National Housing Act, which will be insured by the United States D constitute all or part of the Lender Financing (as defined below). The HUD-i "HUD Rider") to be incorporated into this Agreement. By the reference in this
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Section	Deletion, replacement and/or addition
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incorporated herein and made a part hereof.

Section 2,	[Delete the text of the defined term, "Term of the A period of time commencing on the Closing Date a has been repaid or terminated. To the end of the c and subordinate to the HUD Loan as provided in t Prudential Huntoon Paige Associates, Ltd., a Dela Corp.), or any other HUD-approved mortgagee, or National Housing Act, in the principal amount of \$ amortization to commence thereon no later than tl described on the HUD-Required Provisions Rider Documents (as defined in such HUD-Required F Commencement Letter" shall mean that letter from Section 5A.01 herein that apply to Phase II.
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Section 3.	(Delete the text of Section 3.01 in its entirety and r
Project	applicable components of the Project in accordance attached hereto as Exhibit B-3. With respect to l Section 18.17 hereof:

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Section	Deletion, replacement and/or addition
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	<p>(a) shall obtain the Interim Completion Certificate (as defined in Section 7.01) not later than March 31, 2016; and - (b) commence and complete construction of Phase I not later than July 1, 2018. With respect to Phase II, if the Developer elects to redevelop Phase II, as evidenced by the Developer's written request that the City issue a Phase II Commencement Letter, then: (a) not later than July 1, 2018, the Developer shall submit a request that the City issue a Phase II Commencement Letter; and (b) after obtaining a Phase II Commencement Letter, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof, commence and complete construction of Phase II not later than January 10, 2029.</p>
Section 4.01, Total Project Costs and Sources of Funds	<p>Delete the text of Section 4.01 in its entirety and replace it with the following: The Total Project Costs are estimated to be \$263,151,638, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources: Equity (distributable surplus cash from operations) \$159,927,638 Lender Financing \$ 65,224,000 Estimated City Funds \$ 38,000,000 (ESTIMATED) TOTAL PROJECT COSTS \$263,151,638 [NOTE: Developer to provide current estimate of City Funds, subject to HED review]</p>
Section 5 Conditions Precedent	<p>After Section 5, add a new SECTION 5A. CONDITIONS PRECEDENT TO THE PHASE II COMMENCEMENT LETTER in the form attached hereto as Exhibit C.</p>
Section 6.01, Bid Requirement for General Contractor and Subcontractors	<p>Delete the following phrase: shall not exceed % of the total amount of the Construction Contract And replace it with the following phrase: shall not exceed 6% of the total amount of the Construction Contract</p>
Section 6.03, Performance and 5	<p>Delete the following sentence:</p>
Section	Deletion, replacement and/or addition
Payment Bonds	<p>"The City shall be named as obligee or co-obligee on any such bonds." And replace it with the following sentence: "Subject to HUD's applicable requirements regarding the HUD Loan (if any), the City shall be named as obligee or co-obligee on any such bonds."</p>

Section 7.01,
Certificates of
Completion of
Construction

Delete the text of Section 7.01 in its entirety and replace it with the following: "Upon completion of the construction of the applicable component of the Project, in accordance with the terms of this Agreement, and upon the Developer's written request, HED shall issue to the Developer an Initial Completion Certificate, an Interim Completion Certificate and the Final Completion Certificate (each, a "Certificate"), as applicable, all in recordable form certifying that the Developer has fulfilled its obligation to complete the applicable component of the Project in accordance with the terms of this Agreement. (a) The Initial Completion Certificate will not be issued until: (i) The Exterior Facade Restoration Work has been completed and approved in the sole discretion of HED; and (ii) The City's Monitoring and Compliance Unit has verified that the Developer is in full compliance with City requirements regarding Prevailing Wage set forth in Section 8.09 with respect to the construction of the Exterior Facade Restoration Work; and (iii) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving notice or passage of time or both, would constitute an Event of Default. The City confirms that prior to the Effective Date of this Amendment, (x) the Exterior Facade Restoration Work has been completed and approved by HED, and (y) the City's Monitoring and Compliance Unit has verified that the Developer is in full compliance with City requirements regarding Prevailing Wage set forth in Section 8.09 with respect to the construction of the Exterior Facade Restoration Work. (b) The Interim Completion Certificate will not be issued until: (i) The City's Monitoring and Compliance Unit has verified that the Developer is in full compliance with City requirements set forth in Section 10 and Section 8.09 (MBEA/VBE, City Residency and Prevailing Wage) with respect to the construction of the Exterior Facade Restoration Work and all other portions of the Project which have been completed on or

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before December 31, 2015; and (ii) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving notice or passage of time or both, would constitute an Event of Default. (c) The Final Completion Certificate will not be issued until: (i) The City has issued an Initial Completion Certificate and an Interim Completion Certificate; and (ii) The Developer demonstrates that construction of Phase I of the Project has been completed; and (iii) The City's Monitoring and Compliance Unit has verified that the Developer is in full compliance with City requirements set forth in Section 10 and Section 8.09 (MBEA/VBE, City Residency and Prevailing Wage) with respect to the construction of Phase I of the Project, and 100% of the Developer's MBEA/VBE Commitment in Section 10.03 has been fulfilled; and (iv) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving notice or passage of time or both, would constitute an Event of Default. HED shall respond to the Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures."

"^Section 7.02 Effect of Issuance of Certificate; Continuing Obligations Delete the following phrase: "Those covenants specifically described at Sections 8.02, and 8.19 as covenants that run with the land" ,And replace it with the following phrase: "Those covenants specifically described at Sections 8.02, 8.06 and 8.19 as covenants that run with the land" Add the following text to the end of Section 7.02: "Notwithstanding anything to the contrary contained in this Agreement, the Developer shall have no affirmative obligation to redevelop Phase II; provided, however/that if the Developer elects to redevelop Phase II, as

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evidenced by the Developer's written request that the City issue a Phase II Commencement Letter, then the Developer shall complete such redevelopment of Phase II in accordance with this Agreement."

Section 7.03, Failure to Complete
Section 8.06
[Reserved]

Add the following text to the end of Section 7.03: "and (c) the right to seek reimbursement of the City Funds from the Developer"
Add the following Section title and text to Section 8:06: Operating Covenant. The Developer shall adhere to the following covenants throughout the Term of the Agreement: (i) preserve its corporate legal existence, preserve all rights and licenses to the extent necessary or desirable in the operation of its business and affairs and be qualified to do business and conduct its affairs in each jurisdiction where its ownership of property or the conduct of its business or affairs requires such qualification; (ii) operate a full service, acute care hospital on the Property; (iii) maintain not-for-profit status under Section 501(c)(3) of the Internal Revenue Code as in effect from time to time; (iv) unless otherwise permitted pursuant to or under the terms of this Agreement, maintain ownership and occupancy of all facilities property for which it has received City Funds for reimbursement for construction or renovations; (v) use its facilities in furtherance of its lawful corporate purposes and cause its business to be carried on and conducted and its property to be maintained, preserved and kept in good repair and in as safe condition as its operations will permit; (vi) complete Phase I according to the approved scope and the timeline described in Section 3.01 and. if the Developer elects to redevelop Phase II, as evidenced by the Developer's written request that the City issue a Phase II Commencement Letter, then complete Phase II according to the approved scope and the timeline described in Section 3.01; (vii) rectify all building code violations in any buildings which have been renovated as part of the Project by the completion of construction;

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(viii) procure and maintain all necessary licenses and permits and use its best efforts to maintain the status of its health care facilities as providers of health care services eligible for payment under those third-party payment programs which its governing body determines are appropriate, including maintenance of accreditation through the Joint Commission, or other agency approved by the U.S. Department of Health and Human Services' Centers for Medicare & Medicaid Services ("CMS"); (ix) procure and maintain all licenses and permits granted by the Illinois Health Facilities Planning Board which are necessary to complete the Project; (x) maintain CMS minimum quarterly composite core measures scores of seventy-five percent (75%) using the scoring criteria in effect as of the date of this Agreement; (xi) operate its Facilities so as not to illegally discriminate; (xii) maintain charity care/financial assistance policies that meet or exceed Public Act 094-0885, the Fair Patient Billing Act, effective on January 1, 2007; (xiii) operate a full-service Emergency Room that follows all laws and regulations related to the Emergency Medical Treatment and Active Labor Act, (42 USC 1395dd); (xiv) continue to provide services to Medicare and Medicaid patients; (xv) continue to provide its full mission in patient care and education and research in support of community benefit; and (xvi) maintain or cause to be maintained, as its sole cost and expense, the insurance described in Section 12. In the event of a default for any of the covenants in this Section 8.06, the City shall have the right to exercise any remedies described or referred to in this Agreement.

Section 8.09, -
Prevailing Wage

Add the following to the end of the Section: "Pursuant to Section 11 of the Illinois Prevailing Wage Act, 820 ILCS 130/11, the requirements of the Illinois Prevailing Wage Act will not apply to any portion of the construction work of the Project that will be paid for from the proceeds of the HUD Loan. Therefore, notwithstanding any contrary provision of this Agreement, for any portion of the construction

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work of the Project that will be paid for from the proceeds of the HUD Loan, the Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, prevailing wage rates determined under the Davis-Bacon Act, 40 U.S.C. Section 276a et seq."

Section 15.02,
Remedies

Delete the text of Section 15.02 in its entirety and replace it with the following: "Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, suspend and withhold disbursement of City Funds and/or seek reimbursement of any City Funds paid. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein."

Exhibit Q Form of
Phase II
Commencement
Letter

At the end of the RDA, add a new Exhibit Q Form of Phase II Commencement Letter in the form attached hereto as Exhibit D. <

Exhibit R HUD-
Required Provisions
Rider

At the end of the RDA, add a new Exhibit R HUD-Required Provisions Rider in the form attached hereto as Exhibit E.

ARTICLE IV

COVENANTS, REPRESENTATIONS AND WARRANTIES OF DEVELOPER

Developer covenants, represents and warranties 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 agreements evidencing the Lender Financing or any related agreements', and
- (c) the proceeds of the HUD Loan will be used solely to repay existing Lender Financing, pay administrative expenses in connection with the HUD Loan and to fund the costs to complete the Project. •

ARTICLE V CONSENT OF CITY

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Pursuant to Section 16 of the RDA, the City hereby consents to the making of the HUD Mortgage and such HUD Mortgage shall be deemed to be a Permitted Mortgage as that term is used in the RDA.

ARTICLE VI 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 or the RDA.

B. No Effect on Recording Priority of RDA or Subordination Agreements. The parties agree that entering into this Amendment shall have no effect on the recording priority of the RDA (or any outstanding subordination agreements that might relate thereto) and that this Amendment shall relate back to the dates that each of the RDA (or any outstanding subordination agreements 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.

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

(b) 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 Developer. Developer acknowledges and agrees that, notwithstanding any other terms or provisions of this Amendment to the contrary, 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. 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. Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, Developer shall immediately transmit to the City an executed original of this Amendment showing the date and recording number of record.

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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 Developer and the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of 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 2-156-030(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. 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 Amendment to be executed as of the day and year first above written.

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

By:___

Name: Andrew J. Mooney Title: Commissioner

MERCY HOSPITAL AND MEDICAL CENTER

By:___

Name: Sheila Lyne Title: President and CEO

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STATE OF___)

) SS

COUNTY OF)

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

aforesaid, DO HEREBY CERTIFY that Sheila Lyne, personally known to me to be the President and CEO of Mercy Hospital and Medical Center, an Illinois not-for-profit corporation (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed, sealed, and delivered said instrument, pursuant to the authority given to her by the Board of Directors of the Developer, as 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 June, 2011.

Notary Public

My Commission Expires

(SEAL)

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STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

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

aforesaid, DO HEREBY CERTIFY that Andrew J. Mooney, personally known to me to be the Commissioner of the Department of Community Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument pursuant to the authority given to him by the City, as his free and voluntary act and as the free and voluntary act of the City, for the uses

and purposes therein set forth.

GIVEN under my hand and official seal this__th day of June, 2011.

Notary Public

My Commission Expires.

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EXHIBIT A To First Amendment

The Property

[the following may be revised as follows: the legal description shall include the Property covered by the RDA, as adjusted to reflect sales of property permitted by the RDA which have occurred prior to the Effective Date of the Amendment]

[see attached]

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MERCY HOSPITAL RDA LEGAL DESCRIPTIONS

MERCY RDA PROPERTY LEGAL DESCRIPTION

PARCEL 3

LOT 3 AND LOT 7 IN ANTONIO'S SUBDIVISION, BEING A RESUBDIVISION IN THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO A PLAT THEREOF RECORDED APRIL 9, 2007 AS DOCUMENT 0709906052, ALL TAKEN AS A TRACT EXCEPT THAT PART THEREOF DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 7; THENCE NORTH 00°24'27" EAST, ALONG THE WEST LINE OF SAID LOTS 7 AND 3, A DISTANCE OF 135.00 FEET; THENCE SOUTH 90°00'00" EAST, 203.00 FEET; THENCE SOUTH 00°24'27" WEST, 135.00 FEET TO THE SOUTH LINE OF- SAID LOT 3; THENCE NORTH 90°00'00" WEST, ALONG THE SOUTH LINE OF SAID LOTS 3 AND 7, A DISTANCE OF 203.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

CONTAINING 108,478 SQUARE FEET OR 2.4903 ACRES, MORE OR LESS.

PARCEL 4

LOT 4 IN ANTONIO'S SUBDIVISION, BEING A RESUBDIVISION IN THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 45,015 SQUARE FEET OR 1,0334 ACRES, MORE OR LESS.

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PARCEL 8

LOTS A, B AND C IN MERCY HOSPITAL AND MEDICAL CENTER REDEVELOPMENT BEING A CONSOLIDATION OF BLOCKS 62, 63, 64, 68, 69, 76 AND 77 AND PARTS OF BLOCKS 61, 65, 66, 67, 70, 75 AND 78 AND VACATED STREETS AND ALLEYS, ALL IN CANAL TRUSTEE'S SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPT THAT PART OF LOT C LYING EAST OF A LINE, BEING THE WEST LINE OF ANTONIO'S SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED APRIL 9, 2007 AS DOCUMENT 0709906052, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE SOUTH LINE OF LOT C THAT IS 701.50 FEET WEST OF THE SOUTHEAST CORNER OF LOT D IN SAID SUBDIVISION, AS MEASURED ALONG THE SOUTH LINE OF SAID LOTS C AND D; THENCE NORTH 00 DEGREES 24 MINUTES 27 SECONDS EAST

150.00 FEET; THENCE NORTH 00 DEGREES 03 MINUTES 07 SECONDS EAST, 114.37 FEET; THENCE NORTHEASTERLY 59.31 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 60.33 FEET, CONCAVE SOUTHEASTERLY, AND WHOSE CHORD BEARS NORTH 28 DEGREES 12 MINUTES 59 SECONDS EAST A DISTANCE OF 56.95 FEET; THENCE NORTHEASTERLY 59.26 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 60.00 FEET, CONCAVE NORTHWESTERLY, AND WHOSE CHORD BEARS NORTH 28 DEGREES 05 MINUTES 07 SECONDS EAST A DISTANCE OF 56.88 FEET; THENCE NORTH 00 DEGREES 12 MINUTES 36 SECONDS WEST, 84.94 FEET; THENCE NORTHERLY 18.02 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 30.96 FEET, CONCAVE

WESTERLY, AND WHOSE CHORD BEARS NORTH 16 DEGREES 53 MINUTES 19 SECONDS WEST A DISTANCE OF 17.77 FEET; THENCE NORTHWESTERLY 47.16 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 74.72 FEET, CONCAVE SOUTHWESTERLY, AND WHOSE CHORD BEARS NORTH 51 DEGREES, 38 MINUTES' 52 SECONDS WEST A DISTANCE OF 46.38 FEET; THENCE NORTHWESTERLY 43.55 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 35.84 FEET, CONCAVE NORTHEASTERLY, AND WHOSE CHORD BEARS NORTH 34 DEGREES 55 MINUTES 06 SECONDS WEST A DISTANCE OF 40.92 FEET; THENCE NORTH 00 DEGREES 06 MINUTES 30 SECONDS WEST, 70.73 FEET TO THE NORTH LINE OF SAID LOT C, ALL IN COOK COUNTY, ILLINOIS.

CONTAINING 472,204 SQUARE FEET OR 10.8403 ACRES, MORE OR LESS. PARCEL 9 , THE EAST HALF OF BLOCK 60 (EXCEPT THE NORTH HALF OF THE NORTHEAST QUARTER OF BLOCK 60 AND EXCEPT, THAT PART TAKEN FOR STREETS AND ALLEYS) AND THE EAST HALF OF BLOCK 71 (EXCEPT THAT PART TAKEN FOR STREETS AND ALLEYS) IN CANAL TRUSTEES SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO

LOTS 1, 2 AND 3 IN ASSESSOR'S DIVISION OF BLOCK 74 IN CANAL TRUSTEES SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO

LOTS 1 TO 9, INCLUSIVE, IN O. P. BRIGGS SUBDIVISION OF THE NORTH HALF OF THE NORTHEAST QUARTER OF BLOCK 60 IN CANAL TRUSTEES SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH,

RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 107,677 SQUARE FEET OR 2.4719 ACRES, MORE OR LESS.

PROPERTY KNOWN AS PARCEL 2B

PARCEL 1: THAT PART OF LOT 2 IN ANTONIO'S SUBDIVISION, BEING A RESUBDIVISION IN THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 2; THENCE SOUTH 00°00'00" WEST, ALONG THE EAST LINE THEREOF, 135.34 FEET TO THE POINT OF BEGINNING; THE NEXT 9 COURSE BEING ALONG THE PERIMETER LINES OF SAID LOT 2; THENCE SOUTH 00°00'00" WEST, 166.78 FEET; THENCE NORTH 90°00'00" WEST, 225.23 FEET; THENCE NORTHWESTERLY 59.68 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 40.00 FEET, CONCAVE NORTHEASTERLY, AND WHOSE CHORD BEARS NORTH 47°15'17" WEST A DISTANCE OF 54.30 FEET; THENCE NORTH 90°00'00" WEST, 8.93 FEET; THENCE NORTHEASTERLY 49.96 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 60.00 FEET, CONCAVE NORTHWESTERLY, AND WHOSE CHORD BEARS NORTH 23°38'46" EAST A DISTANCE OF 48.53 FEET; THENCE NORTH 00° 12'36" WEST, 84.94 FEET; THENCE NORTHERLY 14.69 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 30.96 FEET, CONCAVE WESTERLY AND WHOSE CHORD BEARS NORTH 13°48'14" WEST A DISTANCE OF 14.55 FEET; THENCE NORTH 89° 57'14" EAST, 280.93 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

CONTAINING 47,260 SQUARE FEET OR 1.0849 ACRES, MORE OR LESS.

PARCEL 2: NON-EXCLUSIVE EASEMENT APURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 FOR PEDESTRIAN AND VEHICULAR INGRESS AND EGRESS OVER, ACROSS AND UPON THE EASEMENT PARCEL AS DEFINED AND DESCRIBED IN GRANT OF ACCESS EASEMENT DATED APRIL 6, 2006 AND RECORDED APRIL 11, 2006 AS DOCUMENT 0610118091 MADE BY MERCY HOSPITAL AND MEDICAL CENTER TO. EASTGATE VILLAGE FIVE MODEL, L.L.C. (NOT PLOTTED - THE EASEMENT IS OVER THOSE PORTIONS RESERVED FOR ROADS AND DRIVEWAYS AS SHOWN ON THE SITE PLAN ATTACHED. THE SITE PLAN ATTACHED DOES NOT DEPICT ROADS

AND DRIVEWAYS.)

PARCEL 3: NON-EXCLUSIVE EASEMENT APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 FOR UTILITY PURPOSES UNDER, THROUGH AND ACROSS THE EASEMENT PARCEL AS DEFINED AND DESCRIBED IN GRANT

OF UTILITY EASEMENT DATED APRIL 6, 2006 AND RECORDED APRIL 11, 2006 AS DOCUMENT 0610118089 MADE BY MERCY HOSPITAL AND MEDICAL CENTER TO EASTGATE VILLAGE FIVE MODEL, L.L.C.

(NOT PLOTTED - BLANKET EASEMENT. THE EASEMENT IS OVER THOSE PORTIONS WHICH ARE NOT RESERVED FOR THE CONSTRUCTION OF BUILDINGS AS SHOWN ON THE SITE PLAN ATTACHED. THE SITE PLAN ATTACHED DOES NOT DEPICT BUILDING AREAS.)

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Exhibit B-3 to First Amendment

Mercy Hospital Capital Expenditure Cash Flow 2006-2030

- (attached)

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Exhibit B-3 to First Amendment

Mercy Hospital Capital Expenditure Cash Flow 2006-2030

(attached)

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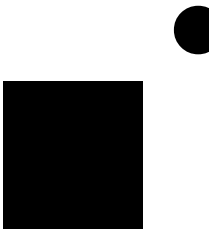
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SECTION 5A. CONDITIONS PRECEDENT TO THE PHASE II COMMENCEMENT LETTER

(a) Project Budget. The Developer has submitted to HED, and HED has approved, a Project Budget for Phase II in accordance with the provisions of Section 3.03 hereof;

(b) Scope Drawings and Plans and Specifications. The Developer has submitted to HED, and HED has approved, the Scope Drawings and Plans and Specifications for Phase II in accordance with the provisions of Section 3.02 hereof;

(c) Other Governmental Approvals. The Developer has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation for Phase II and has submitted evidence thereof to HED;

(d) Financing. The Developer has furnished proof satisfactory to the City that the Developer has Equity and/or Lender Financing in the amounts set forth in Section 4.01 hereof to complete Phase II and satisfy its obligations under this Agreement;

(e) Title. The Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, dated within twenty days of the date the Developer submits the request for a Phase II Commencement Letter, showing the Developer as the named insured and satisfying the requirements described in Section 5.05;

(f) Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches, updated within twenty days of the date the Developer submits the request for a Phase II Commencement Letter, as described under Section 5.06, showing no liens against the Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens;

(g) Surveys. The Developer has furnished the City with three (3) copies of the Survey, dated within twenty days of the date the Developer submits the request for a Phase II Commencement Letter;

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(h) Insurance. The Developer, at its own expense, has insured the Property in accordance with Section 12 hereof, and has delivered certificates required pursuant to Section 12 hereof evidencing the required coverages to HED;

(i) Opinion of the Developer's Counsel. On the date the Developer submits the request for a Phase II Commencement Letter, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel; provided, that if the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions were obtained by the Developer
\\ from its general corporate counsel;

(j) Evidence of Prior Expenditures. The Developer has provided evidence satisfactory to HED of the Prior Expenditures in accordance with the provisions of Section 4.05(a) hereof;

(k) Documentation. The Developer has provided documentation satisfactory to HED with respect to current employment matters on Phase I and Phase II of the Project, the MBEA/VBE utilization plan for Phase II of the Project, and a progress report containing all current information, if any, requested under Section 8.07 herein;

(l) Environmental. The Developer has provided HED with copies of any updated or new phase I environmental audit or phase II environmental audit with respect to the Property, other than those previously delivered to the City under Section 5.12, together with a letter from the environmental engineer(s) who completed such audit (s), authorizing the City to rely on such audits;

(m) Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles of Organization or Articles of Incorporation, as applicable, containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and all other states in which the Developer is qualified to do business; a secretary's certificate or similar instrument in such form and substance as the Corporation Counsel may require; operating agreement of the entity; and such other organizational documentation as the City has requested; and an Economic Disclosure Statement, in the City's then current form, dated the date the Developer submits the request for a Phase II Commencement Letter;

(n) Litigation. The Developer has provided to the Corporation Counsel and HED a description of all pending or threatened litigation or administrative proceedings involving the Developer that will or may affect the ability of the Developer to complete Phase II in accordance with this Agreement, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance;

(o) Construction Contract. The Developer has submitted a copy of the Construction Contract for Phase II pursuant to the requirements of Section 6.01 herein; and

(p) Non-Commencement of Construction. Construction on Phase II has not yet commenced.

5A.02 City Actions. Upon the City's satisfaction with the Developer's documents as

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set forth in Section 5A.01 above for Phase II, City will issue a Phase II Commencement Letter to Developer in the form set forth in Exhibit Q hereto.

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Exhibit D To First Amendment

[Exhibit Q to Redevelopment Agreement]

Form of Phase II Commencement Letter

[prepare on HED letterhead] [date]

Mercy Hospital and Medical Center 2525 South Michigan Avenue Chicago, Illinois 60616 Attention: Sheila Lyne, President and CEO

Re: Approval to Commence Construction of Phase II under the terms and conditions of the Mercy Hospital and Medical Center Redevelopment Agreement dated as of August 23, 2006 (the "Agreement") by and between the City of Chicago (the "City") and Mercy Hospital and Medical Center, an Illinois not-for-profit corporation (the "Developer").

Ladies and Gentlemen:

Pursuant to the Agreement, Developer has requested that the City approve Developer's commencement of Phase II of the Project (as defined in the Agreement) and has submitted supporting documents and information to the Department of Housing and Economic Development.

Having (a) reviewed the documents and information supplied by Developer in connection with this request and (b) concluded that the conditions described in Section 5A.01 of the Agreement have been complied with to the City's satisfaction, I declare that the City is satisfied that the Developer may proceed with the commencement of construction on Phase II of the Project.

CITY OF CHICAGO

Commissioner

Department of Housing and Economic Development

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Exhibit E To First Amendment

[Exhibit R to Redevelopment Agreement]

HUD-Required Provisions Rider

THIS RIDER is dated June __, 2011 and is attached to and made a part of that certain Mercy Hospital and Medical Center Redevelopment Agreement dated August 23, 2006, as amended by First Amendment to Mercy

Hospital and Medical Center Redevelopment

Agreement dated as of June_, 2011 (collectively the "TIF Redevelopment Agreement"), entered into by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing and Economic Development, having its offices at 121 North LaSalle Street, Room 1000, Chicago, Illinois 60602, and Mercy Hospital and Medical Center, an Illinois not-for-profit corporation (the "Developer"), relating to the property in the City of Chicago, Illinois located within the 26th and King Drive Redevelopment Project Area as referred to in the TIF Redevelopment Agreement. In the event of any conflict, inconsistency or ambiguity between the provisions of this Rider and the provisions of the TIF Redevelopment Agreement, the provisions of this Rider shall control.

As used in this Rider, the term "HUD Project" shall mean the "Project" defined in the HUD Regulatory Agreement defined below; provided, however, that the HUD Project shall include only the portion of the 26th and King Drive Redevelopment Project Area that is encumbered by the Mortgage and the HUD Regulatory Agreement (as both such terms are defined below) and legally described on Attachment 1, Legal Description, to this Rider. This Rider shall not affect any portion of the Project (as defined in the TIF Redevelopment Agreement) other than the parcels legally described on Attachment 1 to this Rider.

In addition, as used in this Rider (a) the term "HUD" shall mean the United States Department of Housing and Urban Development; (b) the term "FHA" shall mean the Federal Housing Administration, an organizational unit within HUD; and (c) the term "HUD/FHA Loan Documents" shall mean the following documents relating to the HUD-insured mortgage loan for the HUD Project (Project No. 071-13010):

A. Commitment for Insurance of Advances dated March 25, 2011, as amended, issued by the Secretary of HUD pursuant to Section 242 of the National Housing Act to JPMorgan Healthcare and Housing Funding Corporation and later assigned to Prudential Huntoon Paige Associates, Ltd. or other HUD-approved mortgagee (such assignee and its successors and assigns is referred to as ("Mortgagee");

B. Building Loan Agreement between the Developer and Mortgagee;

C. Mortgage Note made by the Developer payable to the order of Mortgagee in the aggregate original principal amount of \$65,224,000,000 (the "Mortgage Note");

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D. Mortgage with Rider I, made by Developer in favor of Mortgagee and encumbering the HUD Project as security for the Mortgage Note (the "HUD Mortgage");

E. Security Agreement with Schedule A, between the Developer, as debtor, and Mortgagee and/or the Secretary of HUD as their interest may appear, as secured party;

F. UCC-1 Financing Statement made by the Developer, as debtor, in favor of Mortgagee and/or the Secretary of HUD as their interests may appear, as secured party recorded with the Cook County Recorder's Office and to be filed with the Illinois Secretary of State;

G. Regulatory Agreement with Riders I and II, between the Developer and HUD (the "HUD Regulatory Agreement");

H. Certificate of Need;

I. Organizational Documents - Certificate of Incumbency attaching:

(a) Articles of Incorporation;

(b) By-Laws;

(c) Corporate Resolutions; and

(d) Good standing certificate

J. Proof of Nonprofit Status of Borrower

K. Mortgage Reserve Fund Agreement w/MRF Schedule

L. MRF Trust Fund Agreement w/MRF Schedule

M. Title Policy

N. Surveyor's Plat

O. Surveyor's Report

P. Evidence of Zoning Compliance

Q. Building Permit

R. Assurance of Utility services

S. Construction Manager Agreement/Construction Contract

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T. Contractor's Certification Concerning Labor Standards and Prevailing Wage Requirements (FHA Form 2492)

U. Performance Payment Bonds

V. Owner-Architect Agreement

W. Mortgagor's and Architect's Certificate of Payment

X. Letter from Architect re" Improvements will be w/in Mortgaged Parcel

Y. Mortgagor's Certificate

Z. Mortgagee's Certificate with Exhibits A-D

AA. Equal Employment Opportunity Certificate

BB. Assurance Compliance under Title VI

CC. Agreement and Certification

DD. Mortgagee's Byrd Amendment Certification

(a) Originating Mortgagee

(b) Mortgagee of Record

EE. Mortgagor's Byrd Amendment Certification

FF. Mortgagor's Attorney Opinion

GG. Letter from Mortgagee that Loan is Current

HH. Letter from Mortgagor on Person to Contact

II. HUD Certificate

JJ. Application for Insurance of Advance of Mortgage Proceeds (92403)

KK. Operating Certificate/License

LL. Capitalized interest Draw Schedule

MM. Evidence of D&O Insurance

NN. Builder's Risk/Hazard Insurance Certificate

OO. OAE HUD Office of Architecture and Engineering Approval Letter

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PP. List of Leased and Financed Property QQ. Certification for Re-Typed HUD Forms

(a) Deposit Account Control Agreement

(b) Government Healthcare Receivables Deposit Account Agreement

RR. Such other loan and security documents related to the loan transaction evidenced by the foregoing as HUD and the Mortgagee may require.

All other capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the TIF Redevelopment Agreement.

R-1 Notwithstanding anything in the TIF Redevelopment Agreement to the contrary, the provisions of the TIF Redevelopment Agreement are subordinate to all applicable Federal Statutes, HUD mortgage insurance regulations and related HUD directives and administrative requirements other than those HUD mortgage insurance regulations, related HUD directives or administrative requirements which have been waived in writing by HUD with respect to the HUD Project. The provisions of the TIF Redevelopment Agreement are also expressly subordinate to the HUD/FHA Loan Documents. In the event of any conflict between the TIF Redevelopment Agreement and the provisions of applicable Federal statutes, HUD mortgage insurance regulations, related HUD directives and administrative requirements, or HUD/FHA Loan Documents, the Federal statutes, HUD mortgage insurance regulations, related HUD directives and administrative requirements and HUD/FHA Loan Documents shall control, except for those HUD mortgage insurance regulations, related HUD directives or administrative requirements which have been waived in writing by HUD with respect to the HUD Project.

R-2 Failure on the part of the Developer to comply with the covenants contained in the TIF Redevelopment Agreement shall not serve as a basis for default on any HUD-insured or HUD-held mortgage on the HUD Project. Additionally, and notwithstanding any term or condition to the contrary in the TIF Redevelopment Agreement, no failure on the part of the Developer or its successors or assigns to comply with the covenants in the Mortgage Note, the Mortgage, the HUD Regulatory Agreement, or any of the other HUD/FHA Loan Documents shall serve as a basis for the City, its successors or assigns, or any other party acting by or through the rights provided therein, to declare a default under the TIF Redevelopment Agreement or to exercise any other rights provided in the TIF Redevelopment Agreement, without the express written approval

of the Mortgagee, or its successors and assigns to the Mortgage, and HUD.

R-3 Compliance by the Developer with the provisions and covenants of the TIF Redevelopment Agreement and enforcement of the provisions and covenants contained in the TIF Redevelopment Agreement, including, but not limited to, any indemnification provisions or covenants, will not and shall not result in any claim or lien against the HUD Project, any asset of the HUD Project, the proceeds of the Mortgage, any reserve, or deposit required by HUD in connection with the Mortgage transaction or the rents or other income from the HUD Project, other than distributable "Surplus Cash" (as that term "Surplus Cash" is defined in the HUD Regulatory Agreement).

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R-4 No amendment to the TIF Redevelopment Agreement made after the date of the HUD initial endorsement of the Mortgage Note shall have any force or effect until and unless such amendment is approved in writing by HUD. No amendment made after the aforesaid date to any HUD/FHA Loan Document shall be binding upon the City unless the City has consented thereto in writing.

R-5 Unless waived in writing by HUD with respect to the HUD Project, any action of the Developer which is prohibited or required by HUD pursuant to applicable Federal law, HUD regulations, HUD directives and administrative requirements or the HUD/FHA Loan Documents shall supersede any conflicting provision of the TIF Redevelopment Agreement, and the performance or failure to perform of the Developer in accordance with such laws, regulations, directives, administrative requirements or HUD/FHA Loan Documents shall not constitute an event of default under the TIF Redevelopment Agreement.

R-6 So long as HUD is the insurer or holder of any mortgage on the HUD Project or any indebtedness secured by a mortgage on the HUD Project, Developer shall not and is not permitted to pay any amount required to be paid under the provisions of the TIF Redevelopment Agreement except from Surplus Cash, as such term is defined, and in accordance with the conditions prescribed in the HUD Regulatory Agreement unless specifically permitted in writing by HUD.

R-7 In the event of the appointment by any court of any person, other than HUD or the Mortgagee, as a receiver, as a mortgagee or party in possession, or in the event of any enforcement of any assignment of leases, rents, issues, profits, or contracts contained in the TIF Redevelopment Agreement, with or without court action, no rents, revenue or other income of the HUD Project collected by the receiver, person in possession or person pursuing enforcement as aforesaid, shall be utilized for the payment of interest, principal or any other amount due and payable under the provisions of the TIF Redevelopment Agreement except from distributable Surplus Cash in accordance with the HUD Regulatory Agreement. The receiver, person in possession or person pursuing enforcement shall operate the HUD Project in accordance with all provisions of the HUD/FHA Loan Documents.

R-8 A duplicate of each notice given, whether required or permitted to be given, under the provisions of the TIF Redevelopment Agreement shall also be given to:

U.S. Dept of Housing & Urban Development Office of Health Care Programs 451 7th Street, SW Washington, DC 20410

With a copy to

U.S. Dept of Housing & Urban Development Office of Regional Counsel, Region V 26th Floor
77 West Jackson Blvd. Chicago, IL 60604

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HUD may designate any further or different addresses for such duplicate notices.

R-9 Notwithstanding anything in the TIF Redevelopment Agreement to the contrary, the Developer and its successors and assigns may sell, convey, transfer, lease, sublease or encumber the HUD Project or any part thereof provided it obtains the prior written consent of HUD to any such sale, conveyance, transfer, lease, sublease or encumbrance. The Developer may make application to HUD for approval of a Transfer of Physical Assets in accordance with HUD regulations, directives and policies. A duplicate copy of such application shall be served on the City. Within 90 days after such service, the City shall serve written notice of its approval of such transfer, or of its requirements for approval of such transfer, on HUD, the Mortgagee and the Developer. No such transfer shall occur or be effective until the City's requirements shall have been satisfied. In the event the City fails to serve such notice on HUD, the Mortgagee and the Developer within said time, then any consent by HUD to such transfer shall be conclusively deemed to be the City's prior written consent to such transfer and consummation of such transfer shall not be a default under the TIF Redevelopment Agreement.

R-10 The Developer's covenants contained in the TIF Redevelopment Agreement which relate to the HUD Project and encumber the parcels legally described on Attachment 1 to this Rider (the "Developer Covenants") shall automatically terminate in the event of a foreclosure or deed in lieu of foreclosure of any mortgage insured or held by HUD with respect to the HUD Project, or any portion thereof. Upon such termination, the City shall furnish to HUD such releases of the Developer Covenants and other documentation as HUD shall deem necessary or convenient to confirm or evidence such termination.

R-II Notwithstanding anything in the TIF Redevelopment Agreement to the contrary, the provisions of this HUD-Required Provisions Rider are for the benefit of and are enforceable by HUD and the Mortgagee.

Executed as of this date set forth above.

MERCY HOSPITAL AND MEDICAL CENTER, an Illinois not-for-profit corporation

By: _

Name: _

Its: _

CITY OF CHICAGO

By: _____

Commissioner

Department of Housing and Economic Development

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Attachment 1 to HUD-Required Provisions Rider Legal Description of parcels included in the HUD Project

[see attached]

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HUD PROJECT PROPERTY LEGAL DESCRIPTION

PARCEL 8

LOTS A, B AND C IN MERCY HOSPITAL AND MEDICAL CENTER REDEVELOPMENT BEING A CONSOLIDATION OF BLOCKS 62, 63, 64, 68, 69, 76 AND 77 AND PARTS OF BLOCKS 61, 65, 66, 67, 70, 75 AND 78 AND VACATED STREETS AND ALLEYS, ALL IN CANAL TRUSTEE'S SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPT THAT PART OF LOT C LYING EAST OF A LINE, BEING THE WEST LINE OF ANTONIO'S SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED APRIL 9, 2007 AS DOCUMENT 0709906052, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE SOUTH LINE OF LOT C THAT IS 701.50 FEET WEST OF THE SOUTHEAST CORNER OF LOT D IN SAID SUBDIVISION, AS MEASURED ALONG THE SOUTH LINE OF SAID LOTS C AND D; THENCE NORTH 00 DEGREES 24 MINUTES 27 SECONDS EAST 150.00 FEET; THENCE NORTH 00 DEGREES 03 MINUTES 07 SECONDS EAST, 114.37 FEET; THENCE NORTHEASTERLY 59.31 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 60.33 FEET, CONCAVE SOUTHEASTERLY, AND WHOSE CHORD BEARS NORTH 28 DEGREES 12 MINUTES 59 SECONDS EAST A DISTANCE OF 56.95 FEET; THENCE NORTHEASTERLY 59.26 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 60.00 FEET, CONCAVE NORTHWESTERLY, AND WHOSE CHORD BEARS NORTH 28 DEGREES 05 MINUTES 07 SECONDS EAST A DISTANCE OF 56.88 FEET; THENCE NORTH 00 DEGREES 12 MINUTES 36 SECONDS WEST, 84.94 FEET; THENCE NORTHERLY 18.02 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 30.96 FEET, CONCAVE WESTERLY, AND WHOSE CHORD BEARS NORTH 16 DEGREES 53 MINUTES 19 SECONDS WEST A DISTANCE OF 17.77 FEET; THENCE NORTHWESTERLY 47.16 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 74.72 FEET, CONCAVE SOUTHWESTERLY, AND WHOSE CHORD BEARS NORTH 51 DEGREES, 38 MINUTES 52 SECONDS WEST A DISTANCE OF 46.38 FEET; THENCE NORTHWESTERLY 43.55 FEET ALONG THE ARC OF A CIRCLE, HAVING A RADIUS OF 35.84 FEET, CONCAVE NORTHEASTERLY, AND WHOSE CHORD BEARS NORTH 34 DEGREES 55 MINUTES 06 SECONDS WEST A DISTANCE OF 40.92 FEET; THENCE NORTH 00 DEGREES 06 MINUTES 30 SECONDS WEST, 70.73 FEET TO THE NORTH LINE OF SAID LOT C, ALL IN COOK COUNTY, ILLINOIS.
CONTAINING 472,204 SQUARE FEET OR 10.8403 ACRES, MORE OR LESS.

PARCEL 9

THE EAST HALF OF BLOCK 60 (EXCEPT THE NORTH HALF OF THE NORTHEAST QUARTER OF BLOCK 60 AND EXCEPT THAT PART TAKEN FOR STREETS AND ALLEYS) AND THE EAST HALF OF BLOCK 71 (EXCEPT THAT PART TAKEN FOR STREETS AND ALLEYS) IN CANAL TRUSTEES SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO

LOTS 1, 2 AND 3 IN ASSESSOR'S DIVISION OF BLOCK 74 IN CANAL TRUSTEES SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO

LOTS 1 TO 9, INCLUSIVE, IN O. P. BRIGGS SUBDIVISION OF THE NORTH HALF OF THE NORTHEAST QUARTER OF BLOCK 60 IN CANAL TRUSTEES SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 107,677 SQUARE FEET OR 2.4719 ACRES, MORE OR LESS.

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable: Mercy Hospital and Medical Center_

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. ☒ the Applicant

OR

2. ☐ a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _

OR

3. ☐ a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _

B. Business address of the Disclosing Party: 2525 S. Michigan Avenue_

Chicago, IL 60616_

C. Telephone: 312-567-2580_ Fax: 312-567-2234_ Email: ichan@mercy-chicago.org <mailto:ichan@mercy-chicago.org>

D. Name of contact person: Thomas J. Garvey_

E. Federal Employer Identification No. (if you have one): 36-2170152_

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Amendment of Redevelopment Agreement for project located at 2525 S. Michigan Avenue_

G. Which City agency or department is requesting this EDS? Department of Housing and Economic Development

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

Specification #_ and Contract #_

Ver. 09-01-10

Page 1 of 13

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY 1. Indicate the nature of the Disclosing Party:

Person ☐

Publicly registered business corporation ☐

Privately held business corporation ☐ Sole proprietorship

General partnership (Is Limited partnership

Trust ☐

Limited liability company Limited liability partnership Joint venture

Not-for-profit corporation

the not-for-profit corporation also a 501(c)(3)?

P3 Yes ☐ No

Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

☐ Yes ☐ No ffl N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person, or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

Sistpr Sheila Lyne_T RSM_President and CEO_

Executive Officers (See attached list)_

Board of Directors (See attached list)_

Mercy Health System of Chicago - Sole Corporate Member_

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

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interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name Business Address Percentage Interest in the

Disclosing Party

N/A

SECTION III - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

☐ Yes M No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself.

"Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

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Name (indicate whether Business retained or anticipated Address to be retained)

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

John J. George

Attorney \$15,000 est.

Daley and George, Ltd. _____

20 S. Clark St., Ste. 400 _____

Chicago, IL 60603 ____

(Add sheets if necessary)

☐ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

☐ Yes ☐ No ^ No person directly or indirectly owns 10% or more of the

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

Disclosing Party.

☐ Yes

☐ No

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

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

«

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

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

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

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

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

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

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

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

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

None

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively

presumed that the Disclosing Party certified to the above statements.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one) ☐ is ☒ is not a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

☐ Yes ☒ No

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

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

Does the Matter involve a City Property Sale?

☐ Yes ☐ No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

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

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

of any and all slaves or slaveholders described in those records:

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SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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

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

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

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B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

ff Yes ☐ No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

☐ Yes m No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

ffl Yes ☐ No

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

☐ Yes D<] No

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

Do not participate in any federal contracts requiring an affirmative action plan.

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

The Disclosing Party understands and agrees that:

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

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

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

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

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

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

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

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

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

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

CERTIFICATION

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

' (Sign here)

Sr. Sheila lyne, RSM_

(Print or type name of person signing)

President and CEO _____

(Print or type title of person signing)

Signed and sworn to before me on (date)

at Cjrok. County, \JLL LtUA- " (state).

Qp^AuBLy O- OdjuJjjJo _Notary Public.

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[] Yes, [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

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MERCY HOSPITAL AND MEDICAL CENTER

And

MERCY HEALTH SYSTEM OF CHICAGO EXECUTIVE TEAM

Sr. Sheila Lyne - President/CEO

Richard Cerceo - Executive VP/COO

Thomas Garvey - VP Finance/CFO

Carla Campbell - VP Patient Care Services/CNO

Barbara Townsend - VP Business Development

Nancy Hill-Davis - VP Human Resources

Connie Murphy - VP PR/Marketing

Mercy Health System of Chicago and

Mercy Hospital and Medical Center Chicago, Illinois

BOARD OF DIRECTORS 2010-2011

/

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