



# Office of the City Clerk

City Hall  
121 N. LaSalle St.  
Room 107  
Chicago, IL 60602  
[www.chicityclerk.com](http://www.chicityclerk.com)

## Legislation Text

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File #: O2014-1749, Version: 1

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CHICAGO April 2, 2014

**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 Planning and Development and the Commissioner of the Department of Fleet and Facility Management to enter into and execute an agreement with Chicago Neighborhood Initiatives, Inc. for the development of property generally located at 6300 S. Halsted Street.

02014-1749

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith  
**of members of the committee with** **dissenting vote(s)**

**This recommendation was concurred in by**

**(signed**

**Respectfully submitted**

**Chairman**

**Document No.**

**REPORT OF THE COMMITTEE ON FINANCE TO THE CITY COUNCIL CITY OF CHICAGO**

OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

March 5, 2014

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

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith, together with Alderman Thompson, an ordinance authorizing the execution of a contract with Chicago Neighborhood Initiatives.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

\*S:\SHARED\Finance\Gaynor <file:///SHARED/Finance/Gaynor> New\Housing & Econ Dev\Halsted Parkways\Ordinance\ord 3.doc

ORDINANCE

WHEREAS, the City of Chicago, Illinois (the "City"), is a home rule unit and municipality under Article VII of the Constitution of the State of Illinois; and

WHEREAS, Chicago Neighborhood Initiatives, Inc. ("CNI"), is an Illinois not-for-profit corporation ("CNI"); and

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

WHEREAS, to induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on November 29, 1989, as amended by ordinances adopted on December 17, 2008 and November 13, 2013: (1) approving a redevelopment plan (the "Redevelopment Plan") for the Englewood Mall Redevelopment Project Area (the "Area"); (2) designating the Area as a Redevelopment Project Area pursuant to the Act; and (3) adopting tax increment allocation financing for the Area (the "TIF Adoption Ordinance") (items (1)-(3) collectively referred to herein as the "TIF Ordinances"); and

WHEREAS, for purposes of this Ordinance "Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the special tax allocation fund for the Area established to pay redevelopment project costs and obligations incurred in the payment thereof with respect to the Area; and

WHEREAS, for purposes of this Ordinance "Incremental Taxes" shall also include amounts transferred into the special tax allocation fund for the Area from the special tax allocation fund for the contiguous Englewood Neighborhood redevelopment project area pursuant to Section 5/11-74.4-4(q) of the Act, ordinances adopted on June 27, 2001, the Redevelopment Plan and the redevelopment plan for the Englewood Neighborhood redevelopment project area and

WHEREAS, pursuant to the Act and the Redevelopment Plan, Incremental Taxes may be used to pay redevelopment project costs such as site preparation and the construction of public works or improvements; and

WHEREAS, the City is the owner of that certain real estate bounded generally by South Halsted Street on the east, West 63<sup>rd</sup> Street on the south, and West 63<sup>rd</sup> Parkway on the west and north, which real estate is designated as the "Subject Property" and

WHEREAS, the Subject Property is located mostly in the Area but also partially in the aforementioned contiguous Englewood Neighborhood redevelopment project area and

WHEREAS, the City desires to engage CNI to prepare plans and specifications and implement such plans and specifications to prepare the Subject Property for future development pursuant to the Redevelopment Plan and construct certain public improvements (collectively, the "Work"); and

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WHEREAS, the City and CNI desire to agree on the division of responsibilities between the City and CNI with respect to the Work; and

WHEREAS, the City agrees to use Incremental Taxes in an amount estimated not to exceed \$10,728,454 to pay CNI for the costs of the Work, now, therefore,

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

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

SECTION 2. The Commissioner of the Department of Planning and Development (the "DPD Commissioner") or a designee thereof and the Commissioner of 2FM (the "2FM Commissioner") or a designee thereof are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver an agreement between CNI and the City (the "Agreement," the

current draft of which is attached hereto as Exhibit A for purposes of information), and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the Agreement (including but not limited to an escrow agreement), with such terms and conditions as shall be approved by the persons executing the Agreement and supporting documents. The amount of Incremental Taxes to be paid to CNI pursuant to the Agreement shall not exceed \$12,000,000 without further approval by the City Council. It is anticipated that such Incremental Taxes shall include approximately \$12,000,000 transferred into the special tax allocation fund for the Area from the special tax allocation fund for the contiguous Englewood Neighborhood redevelopment project area pursuant to Section 5/11-74.4-4(q) of the Act, ordinances adopted on June 27, 2001, the Redevelopment Plan and the redevelopment plan for the Englewood Neighborhood redevelopment project area.

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. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this ordinance or the instruments authorized by this ordinance or to impair the security for or payment of the instruments authorized by this ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for violation of any provision of the Municipal Code.

SECTION 5. This Ordinance shall be in full force and effect immediately upon its passage.  
inance Exhibit A, Agreement (see attached)

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#### SITE PREPARATION AND MAINTENANCE AGREEMENT

This Site Preparation and Maintenance Agreement (this "Agreement") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014 (the "Effective Date"), by and between the City of Chicago, Illinois (the "City"), a home rule unit and municipality under Article VII of the Constitution of the State of Illinois, acting by and through its Departments of Planning and Development ("DPD") and Fleet and Facility Management ("2FM"), and Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation ("CNI"). The City and CNI are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties."

#### RECITALS

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

B. To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on November 29, 1989, as amended by ordinances adopted on December 17, 2008 and November 13, 2013: (1) approving a redevelopment plan (the "Redevelopment Plan") for the Englewood Mall Redevelopment Project Area (the "Area"); (2) designating the Area as a Redevelopment Project Area pursuant to the Act; and (3) adopting tax increment allocation financing for the Area (the "TIF Adoption Ordinance") (items(1)-(3) collectively referred to herein as the "TIF Ordinances").

C. For purposes of this Agreement "Incremental Taxes" shall mean such ad valorem taxes which,

pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the special tax allocation fund for the Area established to pay redevelopment project costs and obligations incurred in the payment thereof with respect to the Area. Incremental Taxes shall also include amounts transferred into the special tax allocation fund for the Area from the special tax allocation fund for the contiguous Englewood Neighborhood redevelopment project area pursuant to Section 5/11-74.4-4(q) of the Act, ordinances adopted on June 27, 2001, the Redevelopment Plan and the redevelopment plan for the Englewood Neighborhood redevelopment project area.

D. Pursuant to the Act and the Redevelopment Plan, Incremental Taxes may be used to pay redevelopment project costs such as site preparation and the construction of public works or improvements.

E. The City is the owner of that certain real estate bounded generally by South Halsted Street on the east, West 63<sup>rd</sup> Street on the south, and West 63<sup>rd</sup> Parkway on the west and north, which real estate is legally described and otherwise depicted in Exhibit 1 attached hereto and designated as the "Subject Property." The Subject Property is located mostly in the Area but also partially in the aforementioned contiguous Englewood Neighborhood redevelopment project area. As indicated on Exhibit 1, the Subject Property consists of the following areas: (1) four development sites, identified as Subareas A, B, C and D (each a "Subarea"); (2) two stormwater detention parcels; and (3) portions of Peoria Drive and Green

Street, which are intended to remain or become public right of way.

F. The City Council adopted an ordinance on \_\_\_\_\_, 2014 (the "Site Preparation Ordinance") authorizing CNI to prepare plans and specifications and implement such plans and specifications to prepare the Subject Property for future development pursuant to the Redevelopment Plan and construct certain public improvements (collectively, the "Work"). CNI shall be compensated for the Work pursuant to the Act, the TIF Ordinances and the Site Preparation Ordinance.

G. Pursuant to the Site Preparation Ordinance, and as part of the Work, CNI has prepared or has caused to be prepared plans and specifications by duly licensed engineer(s)/architects(s) depicting the construction, reconstruction, alteration and modification of the Subject Property, including certain improvements within the existing and future public way and other improvements on public property within the Subject Property (the "Public Improvements"), to be conducted as part of the Work, which plans and specifications have been approved by the City, and which plans are identified in Exhibit 2(a) attached hereto (the "Approved Plans and Specifications").

H. Pursuant hereto CNI will perform the Work or cause the Work to be performed and engage third party contractors or subcontractors to construct the Public Improvements and cause the Work to be performed in accordance with the Approved Plans and Specifications. A budget for the Work is attached as Exhibit 2(b) hereto (the "Project Budget").

I. The City and CNI desire to agree on the division of responsibilities between the City and CNI with respect to the Work.

J. The City agrees to use Incremental Taxes in an amount not to exceed \$ \_\_\_\_\_ (the "Guaranteed Maximum Price" or "GMP") from Fund Number \_\_\_\_\_ to pay CNI for the costs of the Work pursuant to the terms and conditions of this Agreement.

K. Pursuant to the terms of that certain Right of Entry Agreement dated January 4, 2013, and that certain Right of Entry Agreement dated [ 2014], CNI has been granted rights of entry for the purpose of inspecting the Subject Property and conducting certain tests. Upon execution of this Agreement and through this Agreement, CNI shall have a continuing right of entry to the Subject Property so that CNI (and its agents, contractors or subcontractors) can undertake the Work.

L. Prior to entering the Subject Property, CNI will secure, at its sole cost and expense as part of the Work, all necessary permits and governmental approvals required to perform any activity related to the Work. CNI acknowledges that this Agreement shall not act as a substitute for any permits or approvals that may be required for such activity.

NOW, THEREFORE, it is agreed between the City and CNI as follows:

1. The above recitals are expressly incorporated in and made a part of this Agreement. In the event of any conflict between the provisions of this Agreement and other agreement or document which wholly or in part addresses the responsibility to construct, maintain, repair and replace the Public Improvements, the provisions of this Agreement shall govern.

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2. This Agreement applies to the Work to be performed, including the Public Improvements to be constructed, by CNI within public ways and public property, existing and anticipated, of the City.

3. CNI will be responsible to for the installation, maintenance, repair, and replacement of Public Improvements pursuant to this Agreement until each said Public Improvement is inspected and accepted by the appropriate City department at the direction of 2FM subject to (A) the expiration of the one-year guarantee period set forth in Section 4(0) hereof with respect to warranty work and warranty obligations set forth therein. It is anticipated that DPD shall issue one Certificate (defined below) for the Work on Subarea C, another Certificate for the Work on Subareas A, B and D and one or more Certificates for the Work on the remaining portions of the Subject Property (known herein as the "[ ]"). The conditions and schedules for acceptances of Public Improvements shall be set by the appropriate City department and shall conform to this Agreement. Any such inspections of the Public Improvements shall not be construed as a representation by the City that there has been compliance with the Approved Plans and Specifications or that the Public Improvements will be or are free of faulty materials or workmanship, or as a waiver of any right that the City (or any other party) may have against CNI or any other party for failure to comply with the Approved Plans and Specifications or the provisions of this Agreement. However, the City shall accept the Public Improvements, subject to approval of any other jurisdiction having authority over any portion of such Public Improvements, upon completion of that portion thereof as long as they are in conformance with the Approved Plans and Specifications and this Agreement. Acceptance shall constitute the City's acknowledgment of CNI's compliance with the Approved Plans and Specifications, subject to the warranty requirements set forth in this Agreement.

3.5 A. "Change Order" means any amendment or modification to the Approved Plans and Specifications or the Project Budget. All Change Orders (and documentation substantiating the need therefor) relating to changes to the Approved Plans and Specifications must be submitted by CNI to DPD for DPD's prior written approval. CNI will not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by CNI of DPD's written approval. Each subcontract between CNI and any subcontractor will contain a provision to this effect.

B. CNI shall not assign, delegate, subcontract or otherwise transfer all or any part of its rights or obligations under this Agreement or any part hereof, unless otherwise provided for herein or without the express written consent of 2FM; provided, however, that CNI may elect and is authorized to delegate contracting obligations to a contractor and subcontract for the construction of the Work. The absence of a provision in this Agreement authorizing the assignment, delegation or transfer or the absence of written consent shall void the attempted assignment, delegation or transfer and shall be of no effect as to the Work or this Agreement. All subcontracts, all approvals of subcontractors and any assignment to which the City consents are, regardless of their form, deemed conditioned upon performance by the subcontractor or assignee in accordance with the terms and conditions of this Agreement. CNI shall provide the City with copies of all subcontracts and assignments and any amendments thereto.

4. CNI will cause the Work to be performed, including the Public Improvements to be constructed, subject to the following conditions:

A. CNI shall retain the services of a qualified and licensed engineer experienced in

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the construction of infrastructure projects ("Consultant Engineer"). The Consultant Engineer shall be responsible for seeing that the Work is constructed in accordance with the Approved Plans and Specifications. The Consultant Engineer's scope of work shall include, but not be limited to, preparation of all construction documentation in accordance with the applicable requirements of the Chicago Department of Transportation's Construction Manual, quality assurance and quality control, review of all contractor submittals including shop drawings, material submittals and catalogue cuts, determine the appropriateness of any proposed modifications to the Plans and Specifications, prepare punchlists on behalf of the City and supervise project closeout and acceptance. All work shall be performed under the direction of a licensed State of Illinois Professional Engineer who shall serve as the resident engineer ("Resident Engineer") for the Work. Staffing shall be as determined by agreement of 2FM and CNI, and shall be adequate to cover all aspects of the Work.

[B. CNI, its agents, contractors or subcontractors may determine that it is necessary to temporarily alter or remove public structures or public property or temporarily close the public way in order to carry out operations or construction. Prior to the commencement of any such activity, the plans of the proposed alterations, the removals and subsequent restoration, and the temporary closing of the public way must be approved in writing by affected City departments including, but not limited to, the Department of Transportation. Where reasonable, the restoration of removed or altered public structures or property shall conform to the latest City design standards even when those standards exceed that of the original condition existing prior to the commencement of any of these alterations or removals.]

C. CNI, its agents, contractors or subcontractors shall exercise reasonable care in the performance of the Work and take all necessary precautions to protect all adjacent and surrounding sidewalks, roadways, City properties, including, but not limited to the decommissioned fire station located at 6204 South Green Street, and all other public structures and shall be fully responsible for the restoration to grade or function of any surrounding sidewalks, roadways, utility facilities, City properties, and all other public structures impacted by its work.

D. The permanent storage of flammable materials, liquids gases, or hazardous materials (as defined by any applicable federal, state, county, or local laws) will not be permitted upon, under or in the

adjacent vicinity of the publicly owned structures or improvements. During construction and installation of the Public Improvements, any such items will be stored in approved containers and at locations permitted by the City.

E. CNI, its agents, contractors, and subcontractors will, during the Work in the public way, provide, install, maintain and remove as required, shores, braces, barricades, signs, lights, traffic control, and other devices as the City may require for protection or convenience of the public and prior to doing any work, or prior to occupying the public way in any manner, including temporary closing of streets, will secure permission and any bonds that may be

required from the Director of Construction Compliance, Bureau of Inspections, Room \_\_\_\_\_, City Hall. In addition, specifically, CNI shall deliver to the City's Bureau of Electricity all current lighting fixtures and street lights located in current rights of way, for the purpose of recycling said fixtures and lights.

F. All Work and operations will be so conducted and arranged as to cause a minimum of inconvenience to pedestrian and vehicular traffic, and all materials, supplies, trucks, and equipment whose location at the Subject Property may act to interfere with traffic

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will be subject to immediate removal from the Subject Property upon demand.

G. Prior to commencement of construction of the Public Improvements or access to the Subject Property, (on behalf of CNI, its contractors, subcontractors, and agents) CNI shall cause to be procured and delivered to the City, and shall maintain in full force and effect until construction of the Public Improvements has been completed and accepted by the City, as applicable, a policy or policies of insurance, as evidenced by certificates of insurance, approved by and meeting the requirements of the City's Risk Manager, all as set forth in Exhibit 3 attached hereto. All such policies shall be in such form and issued by such companies as shall be reasonably acceptable to the City, to protect the City and CNI against, among other things, any liability incidental to the use of, or resulting from, any accident occurring on or about the Public Improvements or the construction of an improvement thereof. Each such policy shall name the City, its officers, employees, and agents as an additional named insured party. Nonconforming insurance and/or CNI's failure to provide the City with any applicable certificates of insurance shall not relieve CNI of the obligation to provide insurance as specified in Exhibit 3. The receipt of any certificate does not constitute agreement by the City that the insurance requirements of Exhibit 3 have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements set forth therein. The failure of the City to obtain certificates or other evidence of insurance from CNI (or its contractors, subcontractors, or agents as applicable) shall not be deemed to be a waiver by the City of the insurance requirements set forth herein.

H. All work related to the construction of the Public Improvements, including all testing, inspection and other verifications necessary as determined by 2FM, the DPD Commissioner on behalf of DPD and the appropriate City department commissioner as applicable, to insure that the Public Improvements are constructed according to the Plans and Specifications for the Public Improvements, shall be done and performed by CNI consistent with the requirements set forth in Section 4(A) above.

[I. If applicable or directed by the appropriate City department, CNI shall employ an independent surveyor that is not affiliated with CNI to take readings, both laterally and vertically, on reference points on all supporting viaduct columns, abutments, retaining walls and other City structures adjacent to the Subject Property, which include but are not necessarily limited to structures on existing street pavements, sidewalks, curbs, sewer mains and or appurtenances, and/or water mains and/or appurtenances as required by the City.



Initial readings shall be obtained prior to the commencement of any excavation activity. During excavation within a 50-foot wide strip adjacent to the City's existing structures or as reasonably determined by the appropriate City department, readings shall be taken as frequently as necessary as directed by the appropriate City department but no less than once a week until the Subject Property has been backfilled to the surrounding existing grade. After backfilling has been completed, the surveyor shall continue to take the survey readings at the same frequency until the total settlement is less than 0.01 feet difference between subsequent weekly readings at which time readings shall be taken on a monthly basis and shall continue thusly, until one full calendar year has elapsed after completion in full of the entire Public Improvements. After elapse of one full year after completion of the Public Improvements, readings may be terminated when all movements have ceased for a continuous three-month period. If any movement on any existing structures, vertical or horizontal, shall come to be 0.04 foot total, as compared to the initial observation before the start of any construction activities, then all operations shall immediately cease and the DPD Commissioner or such Commissioner's representative shall be notified immediately. Work will not start again without the prior written consent of the DPD

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Commissioner. The surveyor retained shall possess a current State of Illinois Land Surveyors Registration. All reference points shall be approved beforehand by the DPD Commissioner or his/her representative. The surveyor shall submit four (4) copies of his readings to Dixit Patel of the Department of Buildings and Zenon Stuck of the Department of Transportation.]

J. As detailed in Section 4(N) below, prior to the commencement of any construction activities adjacent to a City structure or improvement, CNI shall execute and file, or cause the contractor or applicable subcontractor performing the applicable portion of the Work, to execute and file, with the DPD Commissioner a payment and performance bond running to the City, with good and sufficient corporate surety, to be approved by the DPD Commissioner, in the amount specified in Section 4(N) below. This bond shall remain in full force and effect until one full calendar year has elapsed after acceptance of the Public Improvements by the DPD Commissioner. After the elapse of one fully calendar year after such acceptance and if during this calendar year settlements, movements, or damage of the City structures is evident, then this bond shall remain in full force and effect until such times when it is proven that any effect until such time when it is proven that any such settlements, damage, or movement to the City's structures have ceased for a continuous three-month period the DPD Commissioner or his representative shall send to CNI a written release from this obligation only when this condition has been fulfilled to the DPD Commissioner's satisfaction.

K. Written authority from the DPD Commissioner or other appropriate City department commissioner, as applicable, is required prior to the initiation of any work not indicated in the Approved Plans and Specifications. The DPD Commissioner or other appropriate City department commissioner, as applicable, must review and approve, prior to the initiation of any such work, design calculations, plans and specifications signed and sealed by a licensed State of Illinois Professional Engineer. Such design modifications shall be made by the original designer of record for the work to be modified. It shall be the obligation of CNI to perform any work so authorized according to the revised Plans and Specifications submitted to and approved by the DPD Commissioner or other appropriate City department commissioner, as applicable, which Plans and Specifications will then constitute the Approved Plans and Specifications.

L. Three (3) copies of shop drawings, catalogue cuts and material submittals pertaining to the Public Improvements, approved by CNI's contractor and reviewed and approved by the Consultant Engineer shall be delivered to the DPD Commissioner at least twenty (20) business days prior to the beginning of any work specified by said shop drawings, catalogue cuts or material submittals for the purpose of verifying that work

conforms to the requirements of the Plans and Specifications.

M. Within sixty (60) days after the completion of all Work required by this Agreement, CNI or its appointed agent will deliver to the DPD Commissioner or appropriate City department commissioner, as applicable, a complete set of "As Built" plans, shop drawings, material submittals and catalogue cuts reproduced on Mylar or transparent film and a computer diskette(s) (CD) of the same information in scanned raster format pertaining to the Public Improvements. The plan reproductions shall measure 27 inches by 41 inches.

N. As contemplated in Section 4(J) above, CNI shall deliver payment and performance bonds (collectively, the "Bond") to the City in accordance with this Agreement and may cause its contractor and/or subcontractors to obtain such Bonds, in a sum equal to one hundred percent of the hard costs set forth in the Project Budget, which Bond shall provide that

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CNI, or any general contractor or subcontractors posting said Bond, as applicable, shall perform all work according to the Approved Plans and Specifications for Public Improvements and promptly pay all debts incurred by CNI or its general contractor in the prosecution of said work for materials and labor. The City will be included as an obligee or co-obligee on said Bond(s). CNI will submit to the DPD Commissioner a copy of said Bond(s) upon execution. Any performance Bond so provided must comply with the provisions of 30 ILCS 55011 et seq., as amended, and Chapter 2, Section 2-92-030 of the Municipal Code of Chicago, as amended, and be in the form attached hereto as Exhibit 4. The surety or sureties issuing the Bond must be acceptable to the City Comptroller. The surety for the Bond must have a Best's Key Rating Guide of "B+", Class XI or greater. The Bond shall cover through the guarantee period required under Section 4(0) of this Agreement. The performance Bond shall be secured by a surety listed in the latest issue of U.S. Treasury Circular 570.

O. All Work authorized herein shall be guaranteed by CNI against defective design, materials and workmanship, improper performance, and noncompliance with the Approved Plans and Specifications for a period of one year after written acceptance by the DPD Commissioner, or appropriate City department commissioner, as applicable, of the completed Public Improvements. During such guarantee period, CNI shall repair and replace to the reasonable satisfaction of the DPD Commissioner, or appropriate City department commissioner, as applicable, any defects in materials and workmanship, improper performance, or noncompliance with the Approved Plans and Specifications at its own expense. Any material which is repaired or replaced shall have the guarantee period with respect to such material extended and recommence from the date of acceptance by DPD or appropriate City Department, as applicable, of last repair or replacement of such material. CNI may delegate all or a portion of the foregoing guarantee obligation to one or more of its Subcontractors by means of assigning guarantees from such Subcontractors to the City in writing; provided, however, that such assignments shall be subject to the City's approval.

P. All construction activity authorized herein will be subject to review and inspection by the DPD Commissioner, or appropriate City department commissioner, as applicable, or their respective authorized representative(s), and the City will at all times be allowed access to all parts of this work in which the City has an interest. Work and activities shall proceed based on a schedule (the "Project Schedule," attached hereto as Exhibit 2(c)), as the same may be revised from time to time, submitted by CNI to, and approved by, the DPD Commissioner, or appropriate City department commissioner, or [their] designees, as applicable. Any anticipated material schedule deviation from the previously approved Project Schedule shall require a five (5) working day advance notice from CNI in connection with seeking such approvals. All work, procedures and materials that fail to comply with the Approved Plans and Specifications will be rejected and shall be removed

solely at CNI's expense and all work shall be suspended unless acceptable corrective actions are taken within ten (10) business days of written notification of non-compliance. The responsibilities of the various applicable City departments with respect to the inspection, review and approval of the Work are set forth in Exhibit 2(d) hereof.

Q. CNI must at all times observe and comply, and must cause its contractors and subcontractors to observe and comply, with all applicable Federal, State and local laws, ordinances, codes, rules, regulations and executive orders, now existing, which may in any manner affect the performance of this Agreement. Provisions required by law ordinance, codes, rules, regulations, or executive orders to be inserted in this Agreement are deemed inserted, whether or not they appear in this Agreement, or upon application by either party, this Agreement, will forthwith be physically amended to physically make such insertion; however, in

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no event does the failure to insert such provision(s) prevent the enforcement of such provision(s) of this Agreement.

In constructing the Public Improvements, CNI must follow the most stringent of the applicable agency and code requirements. CNI is fully responsible for ascertaining and complying with all agency and code requirements applicable to the Public Improvements.

#### R-1. Payment to CNI

(1) Payment Applications. The City will promptly pay CNI for the cost of the Work, including an agreed: upon fee of \_\_\_\_\_ %, not to exceed \$ \_\_\_\_\_ in the aggregate, to be paid to CNI for CNI's services in administering and causing the Work to be performed, up to the Guaranteed Maximum Price, in accordance with the terms and conditions of this Agreement. Payment shall be made promptly through an escrow account established pursuant to an escrow agreement among the City, CNI and \_\_\_\_\_ (the "Escrow Agent") in substantially the form attached hereto as Exhibit 6 (the "Escrow Agreement"). On the Effective Date, the City shall deposit with the Escrow Agent Incremental Taxes in an amount equal to the full amount of the Guaranteed Maximum Price. [CNI open to discussing deposit schedule] It is the duty of CNI to effectively manage the payment application process and all related paperwork. CNI is responsible to the City for securing and delivering all paperwork required by the Agreement to be submitted with payment applications, including Subcontractor, consultant and material supplier lien waivers, certified payrolls, and all other required documents as further specified herein. Repeated failure of CNI to promptly submit its payment applications to the City, in proper and complete form, will constitute a material breach of this Agreement, and constitute cause for termination. No payment application will include payment for Work for which CNI has not been billed by the applicable subcontractor, material supplier, service provider or consultant. CNI will submit payment applications in such a manner so as not to delay payment to any subcontractor, material supplier, consultant or service provider whose billing and lien waiver paperwork is complete. All required certified payrolls, trailing lien waivers, and other required paperwork must be submitted with the payment application. CNI's payment application will not include any request for payment for work of any subcontractor, material supplier, consultant, or service provider whose certified payrolls, trailing lien waivers, or other payment paperwork is incomplete at the time the payment application is submitted.

(2) Schedule of Values; Treatment of Prior Expenditures. No later than fifteen (15) Days after the Effective Date, CNI will submit to the DPD Commissioner or his designee (the "Authorized City

Representative") a schedule of values ("Schedule of Values"), showing values of the Work to be performed by trade contractors, which values shall be modified as Subcontract awards are made, and agreed upon construction fee ("Construction Fee") containing such supporting details or other evidence as to its correctness as the architect ("Architect") and Authorized City Representative may require. The Schedule of Values will list the value for each construction activity broken down by materials and labor to be included in the progress schedule. When approved by the Authorized City Representative, the Schedule of Values will be used as a basis for certificates of payment unless it is found to be in error.

CNI has made certain expenditures in satisfaction of certain costs covered in the Project Budget prior to the Effective Date (the "Prior Expenditure(s)"). Exhibit 7 identifies such prior expenditures approved by the City as Prior Expenditures and, subject to the terms and conditions hereof, the City agrees to reimburse CNI for such Prior Expenditures on the Effective

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Date.

3) Invoice Target Date. The City will assign an invoice target date to CNI. Not later than ten (10) Days prior to the invoice target date, CNI will submit to the Authorized City Representative a pencil copy of the application for payment ("Payment Application") for Work completed through the end of the current month and a monthly progress report. Not later than five (5) Days prior to the invoice target date, the pencil copy will be reviewed for approval of value of the Work completed at the payment review meeting with the Architect and Authorized City Representative. Calculation of the value of Work completed will be made by summarizing the individual values of Work completed as such completion is reported in the monthly progress report reviewed by the Architect for the approval of the City. Submission of the monthly progress report five (5) Days prior to the payment review meeting will be a condition precedent to the approval of the payment application. The pencil copy of the Payment Application will project completion of Work through the end of the current month.

4) Sworn Statement. On the invoice target date of each month, CNI will submit to the Authorized City Representative, in triplicate, an application for partial payment including a notarized affidavit stating that all monetary obligations to all subcontractors for the periods covered by all prior applications for payment for which payment has been made by the City, if any, have been completely fulfilled and discharged. The affidavit must be supported by receipts or receipted vouchers, and lien waivers, evidencing payments for such materials, services, labor, and payments to subcontractors, together with a waiver of lien covering the amount for which the current payment is being requested and such other evidence of CNI's right to payment as the Authorized City Representative may direct. CNI shall submit form of waiver of lien for partial or progress payment to the City for approval. The application for partial payment will conform to approvals made by the Authorized City Representative at the payment review meeting.

5) Certified Payrolls. Three copies of certified payrolls for the payment period are to be submitted by CNI and all subcontractors working on the Subject Property to the City or its designated representative every week. The City may elect to utilize a Web-based method for electronic submittal of certified payrolls. In the event that the City elects to utilize electronic submittal, CNI shall follow the directions provided by the City, and submit its certified payrolls electronically, as a replacement for the three hard copy submittals. All payrolls must be identified with CNI or subcontractor's name and contract name and number, and must be sequentially numbered. The payroll will be submitted by CNI and subcontractor until all Work by CNI or subcontractor is completed. If there are periods of no Work by CNI or a Subcontractor, a payroll labeled "NO WORK" will be submitted. The final payroll will be labeled "FINAL." Certified payrolls are required to assure equal employment opportunity ("EEO") compliance as well as wage compliance. Race, worker classification, and

gender must be clearly marked for each employee on the certified payroll along with all additional information required by the City. An employee's address should appear every time his/her name appears on the payroll. CNI must submit the certified payrolls and additional information regarding EEO and wage compliance by providing a payroll summary report ("Payroll Summary Report") in the form required by the City. The EEO report form required by the City and the U.S. Department of Labor must be submitted by CNI and each subcontractor, reflecting fully the periods of Work covered by the partial payment request.

6) Documentation Supporting Monthly Payment Applications

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a) For the first Payment Application, CNI must provide its own Sworn Statement and its own partial lien waivers in support of the Payment Application.

b) For the second Payment Application, CNI must provide: its own Sworn Statement, its own partial lien waivers for the current Payment Application and partial lien waivers from all of its first tier Subcontractors for the prior Payment Application.

c) For the third Payment Application, CNI must provide: its own Sworn Statement, its own partial lien waivers for the current month, its first tier subcontractors ("First Tier Subcontractors") partial lien waivers for the previous month, and partial lien waivers of the second tier subcontractors ("Second Tier Subcontractors") for the first Payment Application.

d) For the fourth and all subsequent Payment Applications, CNI must provide the corresponding supporting documentation as indicated in 4(R-1)(6)(c) above. For the final Payment Application all lien waivers of CNI, its first tier Subcontractors, and all Second Tier Subcontractors must be "final" waivers.

e) Prior to final payment and Final Completion and Acceptance of the Work, CNI must comply with the requirements of Section 4(R-1)(9), below. Unless a written extension is granted by the City, CNI must submit the final payment application and waivers consistent herewith. CNI's failure to do so within the required time period is an Event of Default hereunder.

7) Deductions for Uncorrected Work. The City reserves the right to, in its sole discretion, deduct the cost of damaged or non-conforming Work from the Guaranteed Maximum Price rather than require CNI to repair or replace such damaged or non-conforming Work, but only in the event CNI has failed to correct the non-conforming Work after receiving reasonable notice from the City that the City will correct the non-conforming Work, and CNI has failed to commence correcting such non-conforming Work promptly upon receipt of such notice from the City.

8) Certificates for Payment. If CNI has complied with the requirements of Section 4(R-1)(1), "Payment Applications," the Authorized City Representative will issue to CNI a certificate for such amount as the Authorized City Representative determines to be properly due as agreed upon during the payment review meeting during the preceding payment period. The amount of each partial payment will be the total sum of completed Work (including bonds, insurance and fees) less prior partial payments, retainage, and payments withheld in accordance with the provisions of Section 4(R-1)(10) "Payments Withheld." No certificate issued for payment, nor payment to CNI, nor partial or entire use of the Work, nor occupancy of the Subject Property by

the City will be an acceptance of any Work or materials not in accordance herewith. Any certificates for payment are for the benefit of the City and will not be relied upon by any other party (including any surety or Subcontractor of CNI) in any action against the City, the Architect, or anyone acting on behalf of either of them.

9) Retainage. The City will retain ten percent (10%) from the invoice sums approved and due CNI up to a total of fifty percent (50%) of the Public Improvements Project GMP, including approved change orders ("Change Orders"). The amount so retained

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("Retainage") will be released to CNI in accordance with Section 4(R-1)(11) below. The DPD Commissioner, at the DPD Commissioner's sole discretion, may increase the amount of the Retainage withheld if the DPD Commissioner considers CNI's performance or the progress of the Work to be such that the City will likely incur damages, including but not limited to liquidated damages, in excess of the amount of Retainage. CNI must not withhold retainage from its Subcontractors in excess of the percentage Retainage withheld by the City from payments to CNI, and must release Retainage to the Subcontractors under Section 4(R-1)(12) or the prompt payment to Subcontractors required by Section 4(R-1)(13).

10) Payments Withheld. No payment shall be made to CNI until certificates of insurance, the Bond, or other evidence of compliance by CNI with all the requirements of the Agreement for insurance and bonds have been provided to the City. Further, no payments on the basis of Work performed by a Subcontractor shall be paid until copies of all bonds required and any certificates of insurance required of the Subcontractors by the Agreement have been filed with the City. The Authorized City Representative may decline processing a Payment Application if, in the DPD Commissioner's opinion, the Payment Application is not adequately supported. If CNI and Authorized City Representative cannot agree on a revised amount, the Authorized City Representative will process the Payment Application in the amount the DPD Commissioner deems appropriate. The Authorized City Representative may decline to process any Payment Application or may rescind in whole or in part any approval previously made to such extent as may be necessary in his/her opinion because of any failure of CNI to perform any obligation under the Agreement, including but not limited to:

- a) CNI's failure or refusal to provide the Authorized City Representative the required Project Schedule or monthly schedule updates and obtain the Authorized City Representative's approval for either as required by the Agreement.
- b) CNI's failure to remedy defective Work following written notice from the City.
- c) CNI's failure to make payments due to Subcontractors, employees, or material suppliers or for labor, materials or equipment once payment is received by CNI, or provide partial lien waivers with Payment Applications as provided herein.
- d) CNI's persistent failure to maintain progress of the Work in accordance with the Project Schedule, or failure to carry out the Work in accordance with the Agreement as determined by the City.
- e) CNI's refusal to follow City, state, federal, or Contract safety and security requirements.
- f) CNI's failure to provide a plan to meet the requirements of the Chicago Residency Ordinance pursuant to Section 4(JJ) hereof.

The City's rights under this Section 4(R-1)(10) are cumulative to any other rights provided under the Agreement.

11) Release of Retainage.

(a) At 75% Completion of the Public Improvements. When the Authorized

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City Representative determines that CNI has satisfactorily completed 75% of the Public Improvements, based upon invoice sums approved and due CNI, Retainage may be reduced to an amount equal to three percent (3%) of the Guaranteed Maximum Price, including any approved or authorized Change Orders and Amendments.

b) At Project Substantial Completion. When the Public Improvements are substantially completed, CNI must notify the Authorized City Representative, in writing, that the Public Improvements will be ready for inspection and/or testing on a definite date. Such notice must be given at least seven (7) calendar days in advance of said date. If the Authorized City Representative concurs that the Public Improvements will be ready for inspection and/or testing on the date given, the DPD Commissioner and other parties will make such inspection as is convenient for all parties, but within a, reasonable period of time. The scheduling of the inspection to determine whether the Public Improvements are substantially complete shall not relieve CNI of its responsibilities under the Agreement. CNI is required to furnish access for the inspection. If the DPD Commissioner finds that the Work is acceptable under the Agreement and has been fully and satisfactorily performed on a timely basis, Retainage may be reduced to an amount equal to one percent (1%) of the Guaranteed Maximum Price, including any approved Change Orders and Amendments, provided that CNI has furnished: (i) MBE / WBE final lien waivers, MBE/WBE conditional final lien waivers, or an affidavit of the MBEAA/BE stating the final amount earned; (ii) complete certified payrolls; (iii) documentation of the turn over of "as-built" drawings, record shop drawings, and product data; (iv) spare stock of materials, spare parts, accessories, special tools, O & M manuals, guarantees, warranties; and (v) all other items required by this Agreement or the Authorized City Representative.

c) At Project Final Completion. The remaining Retainage will be paid when all remaining Work and punch list Work is complete and CNI submits to the Authorized City Representative a sworn affidavit that states the following:

1. All payrolls, bills for materials and equipment, and all other indebtedness connected with the Work for which the City might in any way be responsible, have been paid or otherwise satisfied.

2. The "CNI's Sworn Statement and Affidavit" for final release of retainage has been provided to the Authorized City Representative.

3. All claims made by subcontractors of any tier, suppliers, and others against CNI, the City, any agents of the City, the DPD Commissioner or Authorized City Representative have been resolved.

4. "Final Waiver of Lien and CNI's Affidavit" forms for all subcontractors of any tier have been provided to the Authorized City Representative.

5. All warranties and guarantees required by the Agreement have been provided to the Authorized City Representative.

6. All warranties and guarantees are in full force and effect.

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7. CNI has provided manufacturers' operating instructions for all equipment, and furnished proof that appropriate training of City personnel has been completed.

8. The surety's written consent, signed by its authorized representative, for final payment to be made directly to CNI, has been provided to the Authorized City Representative.

9. CNI agrees that acceptance of final payment will constitute a general release to the City, its representatives, officials and employees of all claims of liability for anything done or furnished or relating to the Work required by the Agreement or for any act or neglect of the City or its agents, officials and employees relating to or connected with the Agreement except as may be mutually agreed and excepted in writing at the time of final payment.

10. As-built documentation including but not limited to as-built drawings, as-built shop drawings and operation and maintenance manuals have been provided to the Authorized City Representative.

11. All other documents reasonably requested by the Authorized City Representative have been provided.

12. CNI must remove all of CNI's trailers, equipment, leftover materials, and trash from the Subject Property, staging area(s) or anywhere else on the Subject Property. CNI must also restore CNI's staging area(s) to its pre-construction condition. If CNI does not comply with this requirement, the Authorized City Representative may provide written notice to comply within a period of time determined by the Authorized City Representative. If CNI fails to comply with the written notice, the Authorized City Representative may have the work done by others, and deduct the charge from CNI's Retainage.

(d) Notwithstanding the foregoing, the Authorized City Representative, in his sole discretion, may decline to release all or a portion of Retainage if the Authorized City Representative considers CNI's performance or the progress of the Work to be such that the City has incurred or will likely incur damages greater than the Retainage, including but not limited to liquidated damages.

### (12) Prompt Payment to Subcontractors.

a) CNI must state the requirements of this Prompt Payment provision in all subcontracts and purchase orders. If CNI fails to incorporate these provisions in all subcontracts and purchase orders, the provisions of this Section are deemed to be incorporated in all subcontracts and purchase orders. CNI and the subcontractors have a continuing obligation to make prompt payment to their respective subcontractors. Compliance with this obligation is a condition of CNI's participation and that of its subcontractors in the Work.

b) CNI must make payment to its Subcontractors within fourteen (14) days of receipt of payment



from the City for each monthly Payment Application, but only if the

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Subcontractor has satisfactorily completed its Work in accordance with this Agreement and provided CNI with all of the documents and information required of CNI by this Section 4(R-1), "Payment to CNI". CNI may delay or postpone payment for a Payment Application when the subcontractor's Work or materials do not comply with the requirements of this Agreement, and CNI is acting in good faith and not in retaliation for a subcontractor exercising legal or contractual rights.

c) CNI must make final payment to its Subcontractors within fourteen (14) days of receipt of such final payment from the City, and after the Subcontractor has satisfactorily completed all of its Work, including but not limited to, completion of punch list work, providing final lien waivers, and providing all of the documents required by this Agreement for payment of Retainage at final completion of the Public Improvements as provided for in Section 4(R-1)(11). Retainage must be paid to subcontractors as required by this section, regardless of whether the Public Improvements have been determined to have reached substantial completion. CNI may delay or postpone payment of Retainage if the Subcontractor's Work or materials do not comply with the requirements of this Agreement, CNI has substantial grounds for and has acted reasonably in making the determination, and CNI is acting in good faith and not in retaliation for a Subcontractor exercising legal or contractual rights.

d) CNI must make payment to Subcontractors so that they receive it within fourteen (14) days of CNI's receipt of payment from the City. Payment is deemed received by the Subcontractor at the time of hand delivery by CNI, or three (3) calendar days after mailing by CNI.

e) To the extent feasible, to facilitate the flow of information to Subcontractor, the Authorized City Representative will post at the field office located at the Subject Property and on the City website ([www.cityofchicago.org](http://www.cityofchicago.org) <<http://www.cityofchicago.org>>), a list of CNI's Payment Applications, including the subcontractors identified in them, submitted to the City for payment and the date of payments made to CNI by the City.

f) CNI must not delay or refuse to timely submit pay requests for a Subcontractor's work or materials. The City may construe such delay or refusal as CNI's failure to act in good faith. "Timely", in this context, means within thirty (30) days after the portion of the Subcontractor's work that the Subcontractor has invoiced is in place in the Public Improvements or the materials delivered to the City (or off-site if payments for off-site delivery are permitted). In addition, CNI must not delay or postpone payment for an undisputed portion of a Subcontractor's invoice or in connection with claims or disputes involving different Payment Applications on the same project or different projects.

g) The DPD Commissioner may withhold payment from CNI when the DPD Commissioner determines that CNI has not complied with this Section 4(R-1)(12).

h) These provisions do not confer any rights in Subcontractors against the City. Nothing in this section is to be construed to limit the rights of and remedies available to the City, including but not limited to various rights under the Agreement.

(13) Subcontractor Claims. CNI must pay all lawful undisputed claims made against it by its subcontractors and all lawful undisputed claims made against CNI by other third

persons arising out of, in connection with, or because of its performance of this Agreement. CNI will cause all of its subcontractors to pay all lawful undisputed claims made against them. In the event such lawful undisputed claims are not satisfied, the City is hereby empowered to disburse such sums for and on account of CNI directly to the respective parties to which such sums are due and owed upon ten (10) days written notice to CNI.

14) Pay Estimates and Payments Subject to Review. Before issuance of a Certificate and for a period of three (3) years after issuance of such Certificate, the City shall not be precluded or estopped by any measurement, estimate, or certificate made by CNI or any subcontractor from showing the true amount and character of the portion of the Work performed and materials furnished by or on behalf of CNI relating to such Certificate, or from showing that any such measurement, estimate, or certificate is untrue or incorrectly made, or that such portion of the Work or materials do not conform in fact to the Agreement. Subject to Illinois law, the City will not be precluded or estopped, notwithstanding any such measurement, estimate, or certificate and payment in accordance therewith, from recovering from CNI and its sureties such damages as the City may sustain by reason of CNI's failure to comply with the terms of the Agreement.

15) SalariesAA/ages. Salaries of all employees of CNI performing Services or Work will be paid unconditionally and not less often than once a month without deduction or rebate on any account, except for payroll deductions as may be required by law. If there is any underpayment of salaries by CNI, the City may withhold, out of payments due to CNI, an amount sufficient to pay to employees the difference between the salaries required to be paid and the salaries actually paid such employees for the total number of hours worked.

16) No Waiver of Legal Rights. Neither the acceptance by the City nor any payment by the City will operate as a waiver of any portion of the Agreement, or of any power herein reserved, or any right to damages herein provided. If the City elects to waive any breach of this Agreement, that waiver will not be held to be a waiver of any other or subsequent breach. The City will not be precluded or estopped from showing the true amount and character of the Work performed and materials furnished by CNI, or from showing that any measurement, estimate, or certificate is untrue or incorrectly made, or that the Work or materials do not conform to this Agreement. The City will not be precluded or estopped from recovering from CNI and/or its sureties such damages as the City may sustain by reason of CNI's failure to comply with the terms of the Agreement.

17) Liens. Whenever the City receives notice in writing of a lien or claim of money due from CNI to any Subcontractor, worker, or employee for Work performed or for materials or equipment furnished and used in or about the Work, the City may direct that the amount of such claim be deducted from payments due or to become due CNI and withheld by the City until such claim has been paid or otherwise discharged; provided, however that, to the extent permitted by law, the City shall not direct that the amount of such claim be deducted or withheld from payments due or to become due to CNI if CNI demonstrates that (i) all documentation required by the Agreement for payment of said amount to Subcontractor, worker or employee or for such materials and equipment furnished and used in or about the Work has been properly submitted to the City by CNI, or (ii) CNI has furnished a bond as security for the lien. This provision is to be construed as being solely for the benefit of the City, and will not require the City to determine or adjust any claims or disputes between CNI and its Subcontractors,

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workers, or employees, or to withhold any money for their protection, unless the City elects to do so. This provision is not to be construed as conferring any rights hereunder for the benefit of Subcontractors, workers or employees, or as enlarging or altering the application or effect of existing lien laws. The final payment will not become due until CNI delivers to the City complete release of all liens, financial obligations or claims from CNI, Subcontractors, and other agents acting on its behalf in connection with the Work, arising out of the Work, and an affidavit that so far as it has knowledge or information, the releases include all the labor and material for which a claim could be made or a lien could be filed. If any lien remains unsatisfied after all payments have been made, CNI must refund to the City all moneys that the City may be compelled to pay in discharging such lien, including all costs and reasonable attorneys' fees.

R-2. With respect to matters related to liens:

1) CNI will notify its contractors and subcontractors that no mechanics' lien under the Illinois Mechanics Lien Act, 770 ILCS 60/1, et. seq., will be permitted to arise, be filed or maintained against public funds, the Public Improvements, the Subject Property or any part thereof or any interest therein, or any improvements thereon, or against any monies due or to become due to CNI on account of any work, labor, services, materials, equipment, or other items performed or furnished for or in connection with the Public Improvements; and CNI, for itself and its contractors and subcontractors, does hereby expressly waive, release, and relinquish such liens and all rights to file or maintain such liens; and agrees further that this waiver of liens and waiver of the rights to file or maintain such liens will be an independent covenant.

2) If any of CNI's contractors, subcontractors, employees, officials, agents, or any other person directly or indirectly acting for, through, or on their behalf files or maintains a lien or claim under the Illinois Mechanics' Lien Act, 770 ILCS 60/1, et. seq., against public funds or against any monies due or to become due to any contractors or subcontractors on account of any of the Public Improvements, labor, services, materials, equipment, or other items performed or furnished for or in connection with the Public Improvements, CNI agrees to cause such liens and claims to be satisfied, removed or discharged within 30 days from the date of filing, provided that the City may extend the 30 day period if (i) the City determines that such lien claim cannot be so satisfied, removed, or discharged in such period and (ii) CNI, in the City's reasonable determination, is proceeding diligently to cause such liens or claims to be satisfied, removed or discharged, or CNI has posted a bond covering such liens or claims in an amount not less than 110% of such liens or claims. The City has the right, in addition to all other rights and remedies provided under this Agreement or by law, to cause such liens or claims to be satisfied, removed or discharged by any means at CNI's sole cost, such cost to include reasonable legal fees and shall be reimbursable in full with interest from the date of payment at the rate set at 12% per annum.

S. (1) It is an unlawful employment practice for CNI to fail to hire, to refuse to hire, to discharge, or to discriminate against any individual with respect to compensation, or the terms, conditions, or privileges of employment, because of such individual's race, color, religion, gender, age, disability, or national origin; or to limit, segregate, or classify employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise, adversely affect such individual's status as an employee, because of such individual's race, color, religion, gender, age, disability, or national origin.

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2) CNI must comply with the Civil Rights Act of 1964, 42, Sec.000 et seq. (1981), as amended. CNI shall further comply with Executive Order No. 11, 2346, 30 Fed. Reg. 12, 319 (1965), reprinted in 42 U.S.C. 2000(e) note, as amended by Executive Order No. 11,37532 Fed. Reg. 14,303 (1967) and by Executive Order No. 12,086,43 Fed. Reg. 46,501 (1978); the Age Discrimination Act, 43 U.S.C. Sec. 6101-6106 (1981); the Rehabilitation Act of 1973, 29 U.S.C. Sec. 793-794 (1981); the Americans with Disabilities Act, P.L. 101-336; 41 C.F.R. part 60 et seq. (1990); Air Carriers Access Act, 49 U.S.C.A. 1374; and, FAA Circular No. 150/5100 15A.

3) In satisfying State requirements, CNI must comply with the Illinois Human Rights Act, 775 ILCS 5/1 -101 et seq. (1990), as amended, and the rules and regulations of the Illinois et seq. Department of Human Rights; the Discrimination in Public Contracts Act, 775 ILCS 10/0.01 et seq. (1990), as amended; and the Environmental Barriers Act, 410 ILCS 251 et seq. In satisfying City requirements, CNI must comply with the Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., of the Municipal Code of Chicago (1990), as amended. Further CNI must furnish such reports and information as requested by the Chicago Commission of Human Relations. CNI agrees that all of the above provisions will be incorporated in all agreements entered into with any suppliers of materials, providers of services, contractors, subcontractors of any tier, and labor organizations which furnish skilled, unskilled and craft union skilled labor, or which may provide any such materials, labor or services in connection with this Agreement.

T. No member of the governing body of the City or other units of government and no other officer, employee, or agent of the City or other unit of government who exercises any functions or responsibilities in connection with the Public Improvements to which this Agreement pertains, will have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee will be permitted to any share or part of this Agreement or to any financial benefit to arise from it.

CNI covenants that its officers, directors and employees, and the officers, directors and employees of each of their members if a joint venture, or a limited liability company and contractors and subcontractors, presently have no interest and will acquire no interest, direct or indirect, in the Public Improvements which would conflict in any manner or degree with the performance of the work relating to the Public Improvements hereunder. CNI further covenants that in the performance of this Agreement, no person having any such interest must be employed. CNI agrees that if the City, by the DPD Commissioner in his or her reasonable judgment, determines that any of CNI's work for others conflicts with the Public Improvements, CNI's Entities must terminate such other services immediately upon request of the City.

U. 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, or to participate in any discussion in any City council committee hearing or in any City council meeting or to vote on any matter involving the person with whom an elected official has a business relationship. Violation of Section 2-156-030(b) by any elected official with respect to this Agreement shall be grounds for termination of this Agreement. Section 2-156-080 defines a "business relationship" as any contractual or other private business dealing of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a financial interest, with a person or entity

which entitles an official to compensation or payment in the amount of \$2,500 or more in a calendar year; provided however, a financial interest shall not include:

1. Any ownership through purchase at fair market value or inheritance of less than 1% of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such share, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended;
2. The authorized compensation paid to an official or employee for his office or employment;
3. Any economic benefit provided equally to all residents of the City;
4. A time or demand deposit in a financial institution; or
5. An endowment or insurance policy or annuity contract purchased from an insurance company.

A "contractual or other private business dealing" shall not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

V. (1) It shall be the duty of any bidder, proposer, CNI and any contractor, all subcontractors and every applicant for certification of eligibility for a City contractor program, and all officer, directors, agents, partners and employees of any bidder, proposer, CNI and any contractor, subcontractor or such applicant to cooperate with the Inspector General in any investigation undertaken pursuant to Chapter 2-56 of the Municipal Code of Chicago. CNI understands and will abide by all provisions of Chapter 2-56 of the Municipal Code of Chicago. CNI and contractors shall inform subcontractors of this provision and require understanding and compliance herewith. (2) It shall be the duty of any bidder, proposer, CNI and any contractor, all subcontractors and every applicant for certification of eligibility for a City contractor program, and all officer, directors, agents, partners and employees of any bidder, proposer, CNI and any contractor, subcontractor or such applicant to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to Chapter 2-55 of the Municipal Code of Chicago. CNI understands and will abide by all provisions of Chapter 2-55 of the Municipal Code of Chicago. CNI and contractors shall inform subcontractors of this provision and require understanding and compliance herewith.

W. CNI must comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics," including but not limited to Section 2-156-120 of this chapter pursuant to which no payment, gratuity or offer of employment is made in connection with any City contract, by or on behalf of a subcontractor to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order. Any contract negotiated, entered into or performed in violation of any of the provisions of this chapter is voidable as to the City.

X. CNI is required to submit a fully-executed Economic Disclosure Statement and Affidavit in the forms attached hereto as Exhibit 5. These documents must be signed by an authorized officer of the company before a notary and such documents are incorporated by

reference to this Agreement. CNI shall provide City with any material updates to the information previously submitted in CNI's Economic Disclosure Statement and Affidavit. The City may also request such updates

from time to time. Failure to provide such information on a timely basis shall constitute a default under this Agreement.

Y. In accordance with Section 2-92-380 of the Municipal Code of Chicago, and in addition to any other rights and remedies (including any set-off) available to the City under this Agreement, or permitted at law or in equity, the City is entitled to set off a portion of the price or compensation due thereunder, in an amount equal to the amount of the fines and penalties for each outstanding parking violation complaint and/ or the amount of any debt owed by the contracting party to the City.

For purposes of this provision, "outstanding parking violation complaints" means a parking ticket, notice of parking violation, or parking violation complaint on which neither payment has been made nor an appearance filed in the Circuit Court of Cook County within the time specified on the complaint. "Debt" means a specified sum of money owed to the City for which the period granted for payment has expired.

Notwithstanding the provisions of this section above, no such debt(s) or outstanding parking violation complaint(s) are off set from any such price or compensation due if one or more of the following conditions are met:

1. The contracting party has entered into an agreement with the Department of Finance, or other appropriate City department for the payment of all outstanding parking violation complaints and/or debts owed to the City and the contracting party is in compliance with the agreement; or
2. The contracting party is contesting liability for or the amount of the debt in a pending administrative or judicial proceeding; or
3. The contracting party has filed a petition in bankruptcy and the debts owed in the City are dischargeable in bankruptcy.

Z. All construction or alteration undertaken by CNI in connection with this Agreement shall be performed in compliance with all Federal, State and local laws and regulations regarding accessibility standards for disabled or environmentally limited persons including, but not limited to the following: American with Disabilities Act, P.L. 101-336(1990) and the Uniform Federal Accessibility Standards and; the Illinois Environmental Barriers Act, 410 ILCS 25/1 et seq. (1991), and the regulations promulgated thereto at 71 Ill. Adm. Code Ch. 1, Sec. 400.110. In the event that the above cited standards are inconsistent, CNI shall comply with the standard providing greater accessibility.

AA. CNI, in contracting work for the Public Improvements, must comply with the provisions of 330 ILCS 55/0.01 et. seq., which requires that a preference be given to veterans in the employment and appointment to fill positions in the construction, addition, or alteration of all public works. In the employment of labor (except executive, administrative and supervisory positions) preference may be given only where the individuals are available and qualified to perform work with respect to the Public Improvements to which the employment relates. CNI must ensure that the foregoing provision is inserted in all contracts entered in with any contractors and subcontractors and labor organizations which furnish skilled, unskilled and craft

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union skilled labor, or which may provide any material, labor, or services in connection with this Agreement.

BB. To the extent permitted by law, this Agreement shall be subject to all provisions of the "Steel

Products Procurement Act," 30 ILCS 565/1 et seq., as it may be amended from time to time. Steel Products issued or supplied in the performance of this Agreement or any contract, subcontract related hereto shall be manufactured or produced in the United States. For purposes of this Section "United States" means the United States and any place subject to the jurisdiction thereof and "Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated, or otherwise similarly processed or processed by a combination of two or more such operations, from Steel made in the United States by the open hearth, basic oxygen, electric furnace, Bessemer or other steel making processes. Knowing violation of this Section may result in the filing and prosecution of a complaint by the Attorney General of the State of Illinois and will subject violators to a fine of the greater of \$5,000 or the payment price received as a result of such violation.

CC. CNI, in contracting work for the Public Improvements, shall use only Illinois laborers in the performance of this Agreement to the extent (1) required by the Employment of Illinois Laborers on Public Works Projects Act, 30 ILCS, 570/0.01, as amended from time to time and (2) otherwise permitted by law.

DD. The Child Support Arrearage Ordinance, Municipal Code of Chicago, Section 2-92-415, furthers the City's interest in contracting with entities which demonstrate financial responsibility, integrity and lawfulness, and finds that it is especially inequitable for contractors to obtain the benefits of public funds under City contracts while its owners fail to pay court-ordered child support, and shift the support of their dependents onto the public treasury.

In accordance with Section 2-92-415 of the Municipal Code of Chicago, if the Circuit Court of Cook County or an Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owner(s) in arrearage on their child support obligations and: (1) such Substantial Owner has not entered into a court-approved agreement for the payment of all such child support owed, or (2) such Substantial Owner is not in compliance with a court-approved agreement for the payment of all such child support owed, (see Certification of compliance with Child Support Orders in Disclosure Affidavit), then:

For those bidders in competitive bid contracts, the City shall assess an 8% penalty. This penalty shall increase their bid price for the purpose of canvassing the bids in order to determine the lowest responsible bidder. This penalty shall apply only for the purposes of comparing bid amounts and shall not affect the amount of any contract payment.

For purposes of this section, "Substantial Owner" means any person who owns or holds a 10% or more Percentage of Interest in the bidder; where the bidder is an individual or sole proprietorship, substantial owner means that individual or sole proprietorship. The City acknowledges that CNI, as a not-for-profit corporation, has no Substantial Owners.

"Percentage of Interest" includes direct, indirect and beneficial interests in CNI. Indirect or beneficial interest means that an interest in CNI is held by a corporation, joint venture, trust, partnership, association, estate or other legal entity, in which the individual holds an interest, or by agent(s) or nominees(s) on behalf of an individual or entity. For example, if Corporation B holds or owns a 20% interest in CNI, and an individual or entity has a 50% or more percentage

of interest in Corporation B, then such individual or entity indirectly has a 10% or more percentage of interest in CNI. If Corporation B is held by another entity, then this analysis similarly must be applied to that next entity. CNI represents there are no individuals or entities that have any direct, indirect or beneficial interest in CNI, as it is a not-for-profit corporation, and the City acknowledges such representation.

The provisions of this Section shall only apply where not otherwise prohibited by federal, state or local law; provided, however, that it is expressly acknowledged by the City that it is entering into this Agreement with CNI without competitive bidding for the Public Improvements work.

EE. The City through the passage of the MacBride Principles Ordinance seeks to promote fair and equal employment opportunities and labor practices for religious minorities in Northern Ireland and provide a better working environment for all citizens in North Ireland.

In accordance with Section 2-92-580 of the Municipal Code of Chicago, if the primary contractor conducts any business operations in Northern Ireland, it is hereby required that the contractor shall make all reasonable and good faith efforts to conduct any business operations in Northern Ireland in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390 (1988 Ill. Laws 3220).

FF. Section 2-92-610 of the Municipal Code of Chicago requires eligible contractors and their subcontractors to pay a living wage (currently \$ \_\_\_\_\_ per hour minimum base wage) to covered employees employed in the performance of this Agreement. CNI is an eligible contractor if at any time during the performance of this Agreement, CNI has 25 or more full-time employees. If CNI is, or becomes eligible, CNI and its contractors and subcontractors must pay at least the base wage to covered employees. Covered employees are: security guards (but only if CNI and its contractors and subcontractors employ in the aggregate 25 or more of them), and, in any number, parking attendants, day laborers, home and health care workers, cashiers, elevator operators, custodial workers and clerical workers. Section 2-92-610 does not apply to not-for-profit corporations with federal 501(3) tax exempt status. Also, if the work being done under this Agreement is subject to payment of prevailing wages, and the prevailing wages are higher than the base wage, then prevailing wage rates apply and must be paid. CNI represents that it is a not-for-profit corporations with federal 501(3) tax exempt status, and the City acknowledges such representation.

GG. CNI shall ensure that, to the extent applicable, services provided hereunder comply with any Buy America provisions of the Federal government and/or any similar provisions of the State or City.

HH. All wages for work on the Public Improvements shall be paid in accordance with the Prevailing Wage Act, 820 ILCS 130/0.01 et seq.

II. CNI, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any affiliate of CNI operating on City property or the Subject Property with respect to the Public Improvements and the Work (collectively, with CNI, the "Employers" and individually an "Employer") to agree, that for the term of this Agreement with respect to CNI and during the period of any other party's provision of services in connection with the construction of the Public Improvements:

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a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military



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

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

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

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

e) Each Employer shall include the foregoing provisions of subsections (a) through (d) in every contract entered into in connection with the Work, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any affiliate operating on City property, including the Subject Property, with respect to the Public Improvements and the Work, so that each such provision shall be binding upon each contractor, subcontractor or affiliate, as the case may be.

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(f) Failure to comply with the employment obligations described in this Section 4(11) shall be a basis for the City to pursue remedies under the provisions of Section 14 hereof.

JJ. CNI agrees for itself and its successors and assigns, and shall contractually obligate any other General Contractor, if different from CNI, and shall itself, or cause the General Contractor, if different from CNI, to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Public Improvements they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the Subject Property of the Public Improvements shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, CNI, any other General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

CNI may request a reduction or waiver of this minimum percentage level of Chicagoans as provided

for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

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

CNI, any other General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed in the construction of the Public Improvements. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

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

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

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

Good faith efforts on the part of CNI, any other General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the

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requirements of this Section concerning the worker hours performed by actual Chicago residents.

When the Public Improvements are completed, in the event that the City has determined that CNI has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section 4(JJ). Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by CNI to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject CNI, any other General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to CNI pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether CNI must

surrender damages as provided in this Section.

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

CNI shall cause or require the provisions of this Section 4(JJ) to be included in all construction contracts and subcontracts related to the Public Improvements.

KK. CNI agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate any other General Contractor to agree that, during the construction of the Public Improvements:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBEAA/BE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 4(KK), during the course of construction of the Public Improvements, at least the following percentages of the Project Budget (less the acquisition cost of any real property or interests in real property or any portion thereof, if any), as these budgeted amounts may be reduced to reflect decreased actual costs, shall be expended for contract participation by MBEs or WBEs:

- i. At least 24 percent by MBEs.
- ii. At least 4 percent by WBEs.

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(b) For purposes of this Section 4(KK) only, CNI (and any party to whom contract is let by CNI in connection with the Public Improvements) shall be deemed a "contractor" and this Agreement (and any contract let by CNI in connection with the Public Improvements) shall be deemed a "contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, CNI's MBE/WBE commitment may be achieved in part by CNI's status as an MBE or WBE (but only to the extent of any actual work performed on the Public Improvements by CNI), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Public Improvements by the MBE or WBE), by CNI utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Public Improvements by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Public Improvements to one or more MBEs or WBEs, or by the purchase of materials used in the Public Improvements from one or more MBEs or WBEs, or by any

combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to CNI's MBE/WBE commitment as described in this Section 4(KK). In accordance with Section 2-92-730, Municipal Code of Chicago, CNI shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of the City.

(d) CNI shall deliver quarterly reports to the City during the construction of the Public Improvements describing its efforts to achieve compliance with this MBEAA/BE commitment. Such reports shall include inter alia the name and business address of each MBE and WBE solicited by CNI or any other General Contractor to work on the Public Improvements, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Public Improvements, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DPD in determining CNI's compliance with this MBEAA/BE commitment. The City shall have access to CNI's applicable books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account, on five (5) business days' notice, to allow the City to review CNI's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Public Improvements.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, CNI shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this Subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver of CNI's MBE/WBE commitment as described in this Section 4(KK) shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of construction of the Public Improvements, CNI, any other General Contractor and all major subcontractors shall be required to meet with the monitoring staff of the City with regard to CNI's compliance with its obligations under this

Section 4(KK). During this meeting, CNI shall demonstrate its plan to achieve its obligations under this Section 4(KK), the sufficiency of which shall be approved by such board or department. During the construction of the Public Improvements, CNI shall submit the documentation required by this Section 4(KK) to the monitoring staff of the City, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBEAA/BE contractor associations have been informed of the Public Improvements via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City, upon analysis of the documentation, that CNI is not complying with its obligations hereunder shall, upon the delivery of written notice to CNI, be deemed an Event of Default or breach hereunder. Upon the occurrence of any such Event of Default, in addition to any

other remedies provided in this Agreement, the City may: (1) issue a written demand to CNI to halt construction of the Public Improvements, (2) withhold any further payment to CNI or any general contractor, or (3) seek any other remedies against CNI available at law or in equity.

LL. All work with respect to the Public Improvements shall conform to all applicable ordinances, codes, rules and regulations in effect as of the date of this Agreement and all applicable federal, state and local laws, regulations, codes, rules and ordinances including, without limitation, the City's requirements regarding subdivision matters.

MM. During construction of the Public Improvements, the appropriate City department shall have the right at any time and from time to time to enter upon the Subject Property and the Public Improvements for the purpose of conducting such inspections as are required by the terms of this Agreement or as the City may otherwise deem appropriate.

4.5 Certificates of Completion. Upon final inspection and acceptance by the applicable City departments of the Public Improvements listed below for the respective portions of the Work and upon CNI's written request DPD will issue to CNI a certificate of completion of construction (a "Certificate") certifying that CNI has fulfilled its obligation to complete the portion of the Work covered by the applicable Certificate in compliance with the terms and conditions of this Agreement, subject to the 1-year warranty set forth in this Agreement. DPD will respond to CNI's written request for a Certificate within 30 days by issuing either a Certificate or a written statement detailing the ways in which the portion of the Work for which such Certificate was requested does not conform to this Agreement or has not been satisfactorily completed and the measures which must be taken by CNI in order to obtain the requested Certificate. CNI may resubmit a written request for a Certificate upon completion of such measures, and DPD will respond within 30 days following the same procedures as for the initial request. Such process may repeat until the City issues the requested Certificate.

A. Subject to the foregoing, the City shall issue a Certificate for Subarea C upon completion of the following Public Improvements and related portion of the Work [description to be inserted].

B. Subject to the foregoing, the City shall issue a Certificate for Subareas A, B and D upon completion of the following Public Improvements and related portion of the Work [description to come].

C. Subject to the foregoing, the City shall issue a Certificate for the

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remainder of the Subject Property upon the completion of the following Public Improvements and the remaining portion of the Work [description to come].

5. After final inspection and acceptance by the City, acting through the appropriate City department, of any of the Public Improvements, and except as covered by warranty or guarantee, the responsibility for maintenance, repair and replacement of said Public Improvements shall be borne by the City, subject to the following:

A. The City will pay the cost of electricity for operating traffic signals and street lighting which is located in the public way and accepted by the City.

B. The City shall be responsible for the cleaning of and the removal of snow from streets included in the Public Improvements.

C. CNI shall be responsible for the maintenance, repair or replacement of any item for which the City is responsible if the cause for said maintenance, repair or replacement is an error in the original design or construction of said item discovered within the warranty period.

D. The City shall not be responsible for loss of use or revenue, if any, associated with the inspection, maintenance and/or reconstruction of any public structure built under this Agreement.

6. After final inspection and acceptance by the City, acting through the appropriate City department including, but not limited to, the Departments of Transportation, Water Management, Streets and Sanitation (Bureau of Electricity, Forestry), of any of the Public Improvements:

A. CNI, its successors and assigns, shall indemnify and hold harmless the City against any and all claims for personal injury and property damages, arising in connection with CNI's performance of its obligations under this Agreement with respect to the Public Improvements, including its warranty obligations under Section 4(0) hereof, as applicable, through and including the warranty period;

B. The City shall indemnify and hold harmless CNI, its successors and assigns, against any and all claims for personal injury and property damage arising in connection with the City's performance of, or failure to perform, its obligations under this Agreement to maintain, repair and replace the City portion of the Public Improvements;

C. The City, after receiving notice of any claim against it for which CNI may be responsible under Section 6(A) shall provide CNI with notice to defend the claim. If such notice is not provided by the City and CNI is thereby prejudiced in the defense of the claim, CNI shall no longer be responsible for indemnifying and holding harmless the City against such claims.

D. CNI, after receiving notice of any claim against it for which the City may be responsible under Section 6(B), shall provide the City with notice to defend the claim. If such notice is not provided by CNI and the City is

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thereby prejudiced in the defense of the claim, the City shall no longer be responsible for indemnifying and holding harmless CNI against such claims.

7. If, after acceptance by the City of any Public Improvements contemplated by the Approved Plans and Specifications, the City reasonably believes that (A) unusual maintenance, or repair or replacement is necessary on (i) the portion of the Public Improvements for which CNI is responsible under the one (1) year guarantee period or (ii) the portion of the Public Improvements for which the City is responsible when CNI's failure to perform its duties hereunder necessitates such unusual maintenance, or repairs or replacement on the City portion, and (B) that existing condition constitutes an emergency situation which endangers the public health, safety and welfare, the City shall have the right to undertake such necessary repairs without prior notice to CNI and shall be reimbursed for the reasonable cost thereof by CNI. If only sub-Section (A) of the preceding sentence is applicable, the City shall give CNI notice thereof and if CNI does not within sixty (60)

days commence the requisite maintenance, repair or replacement, the City shall have the right (but not the obligation) to undertake the necessary repairs and shall be reimbursed for the reasonable cost thereof by CNI.

Any reimbursement by CNI under this Section shall be subject to CNI's verification of the amount and reasonableness thereof within thirty (30) days of CNI's receipt of a written notice from the City in such detail as reasonably required by CNI. Upon such verification, CNI shall pay the amount of such reimbursement within sixty (60) days. Amounts not paid as aforesaid shall bear interest at the rate of nine percent (9%) per annum.

8. [intentionally omitted]

9. [intentionally omitted]

10. The provisions of this Agreement shall be governed and construed in accordance with the laws of the State of Illinois.

11. This Agreement shall not be amended except in writing approved by the Parties hereto. In the event of any change of the Approved Plans and Specifications for the Public Improvements after acceptance thereof by the City, which would affect the allocation of maintenance responsibilities under Section 5 above, the Parties shall execute and deliver an appropriate amendment of this Agreement.

12. All notices or other communication hereunder to any Party shall be given in writing (at the addresses set forth below: by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram or telecopying; (c) overnight courier; or (d) registered or certified, first class mail, return receipt requested:

If to CNI: Chicago Neighborhood Initiatives, Inc.  
1000 E. 111<sup>th</sup> Street - 10<sup>th</sup> Floor Chicago, IL  
60628 Attn: David Doig

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With Copies To: DLA Piper LLP (US)  
203 North LaSalle Street 19<sup>th</sup> Floor Chicago, IL  
60601 Attn: David L. Reifman, Esq. Mariah F.  
DiGrino, Esq.

If to the City: City of Chicago  
Department of Planning and Development 121 North  
LaSalle Street, Room 1000 Chicago, Illinois 60602 Attn:  
Commissioner

and

City of Chicago

Department of Fleet and Facility Management 30 North LaSalle  
Street, Room 300 Chicago, Illinois 60602 Attn: Commissioner

With Copies To: City of Chicago  
Department of Law  
121 North La Salle Street, Room 600  
Chicago, Illinois 60602  
Attn: Finance & Economic Development Division

Such addresses may be changed by notice to the other parties given in the manner provided above. Any notice, demand or request sent pursuant to either subparts (a) or (b) hereinabove of shall be deemed received upon personal service or upon dispatched by electronic means. Any notice, demand or request sent pursuant to subpart (c) shall be deemed received on the day immediately following deposit in an overnight courier, and, if sent pursuant to subpart (d) shall be deemed received forty-eight (48) hours following deposit in the mail.

13. The following provisions relate to defaults, cure and remedies:

A. The occurrence of any one or more of the following events, subject to the provisions of Section 14(C) below, shall constitute an "Event of Default" by CNI hereunder:

1. the failure of CNI to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of CNI under this Agreement or any related agreement;
2. the failure of CNI to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of CNI under any agreement with any person or entity if such failure may have a material adverse effect on CNI's business, property, assets, operations or condition, financial or otherwise;
3. the making or furnishing by CNI to the City of any representation, warranty, certificate, schedule, report or other communication

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within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;

4. except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Public Improvements or real estate interests related thereto, or the making or any attempt to make any levy, seizure or attachment thereof;
5. the commencement of any proceedings in bankruptcy by or against CNI or for the liquidation or reorganization of CNI, or alleging that CNI is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of CNI's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or nonstatutory proceedings involving CNI; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;
6. the appointment of a receiver or trustee for CNI, for any substantial part of CNI's assets or the institution of any proceedings for the dissolution, or the full or



- partial liquidation, or the merger or consolidation, of CNI; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;
7. the entry of any judgment or order against CNI which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;
  8. [reserved];
  9. the dissolution of CNI; or
  10. the institution in any court of a criminal proceeding (other than a misdemeanor) against CNI, which is not dismissed within thirty (30) days, or the indictment of CNI for any crime (other than a misdemeanor).

B. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

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

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this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless CNI has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default: provided however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, CNI shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured; provided further that if a specific cure period is provided for elsewhere in this Agreement that differs from the general notice and/or cure periods set forth in this Section 14(C), such specific notice and/or cure period shall control.

14. Except as might otherwise be expressly provided herein, CNI may not sell, assign or otherwise transfer their interest in this Agreement in whole or in part without the written consent of the City.

15. CNI agrees that CNI, any person or entity who directly or indirectly has an ownership or beneficial interest in CNI ("Owners"), spouses and domestic partners of such Owners, CNI's subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any subcontractors of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (CNI and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City (the "Mayor") or to his political fundraising committee (i) after execution of this bid, proposal or Agreement by CNI, (ii) while this Agreement or any Other Contract is executory, (iii) during the term of this Agreement or any Other Contract between CNI and the City, or (iv)

during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

CNI represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached CNI or the date CNI approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

CNI agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

CNI agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

CNI agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement,

### 31

under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein. If CNI violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Agreement resulting from this specification, the DPD Commissioner may reject CNI's bid.

For purposes of this provision:

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

"Other Contract" means any other agreement with the City to which CNI are a party that is (i) formed under the authority of Chapter 2-92 of the Municipal Code; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council.

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

For purposes of this Section 15 only, individuals are "Domestic Partners" if they satisfy the following criteria: (a) they are each other's sole domestic partner, responsible for each other's common welfare; and (b) neither party is married; and (c) the partners are not related by blood closer than would bar marriage in the State of Illinois; and (d) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and (e) two of the following four conditions exist for the partners: (i) the partners have been residing together for at least 12 months, (ii) the partners have common or joint ownership of a residence, (iii) the partners have at least two of the following arrangements: (A) joint ownership of a motor

vehicle; (B) a joint credit account; (C) a joint checking account; and (D) a lease for a residence identifying both domestic partners as tenants, and (iv) each partner identifies the other partner as a primary beneficiary in a will.

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

16. If the City transfers all or any portion of the Subject Property to a third party (a "City Transferee") and gives CNI written notice of such transfer hereunder, then such City Transferee shall be a third party beneficiary of Sections 4(0) and 6(A) hereof and shall be entitled to exercise and enforce such provisions to the same extent that the City is so able.

17. The Work includes certain environmental investigation and remediation of the Subject Property (the "Environmental Work"). The Environmental Work is described in more detail in Exhibit 8 hereto and certain specific requirements regarding the Environmental Work are contained in said Exhibit 8.

18. (a) CNI acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in the FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If CNI receives a request from the City to produce records within the scope of FOIA, that would be otherwise required under this Agreement then CNI covenants to comply with such request within two (2) Business Days of the date of such request. Failure by CNI to timely comply with such request

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will be a breach of this Agreement.

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

c) CNI acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, CNI covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act concerning records arising under or in connection with this Agreement and the transactions contemplated in the Agreement.

19. CNI agrees to indemnify, pay and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an "Indemnatee," and collectively the "Indemnitees") harmless from and against, any and all liabilities, obligations, losses, damages (arising out of a third party action against the City), penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever, (and including, without limitation, the reasonable fees, court costs, and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnitees shall be designated a party thereto), that may be imposed on,

suffered, incurred by or asserted against the Indemnitees by a third party in any manner relating to or arising out of:

- i) [intentionally omitted]; or
- ii) CNI's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or
- iii) CNI's or any contractor's failure to pay, upon receipt of funds due and owing from the City, subcontractors or materialmen in connection with the Public Improvements; or
- iv) the existence of any material misrepresentation or omission in this Agreement or any other document related to this Agreement that is the result of information supplied or omitted by CNI or its agents, employees, contractors or persons acting under the control or at the request of CNI or any affiliate of CNI; or
- v) CNI's failure to cure any misrepresentation in this Agreement or any other document or agreement relating hereto; or
- vi) any act or omission by CNI or any affiliate of CNI;

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provided, however, that CNI shall have no obligation to an Indemnatee arising from the wanton or willful misconduct of that Indemnatee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, CNI will contribute the maximum portion that it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 19 will survive the termination of this Agreement.

20. CNI will keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual costs of the Work and to monitor construction of the Public Improvements. All such books, records and other documents, including but not limited to contractors' sworn statements, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, will be available at CNI's offices for inspection, copying, audit and examination by an authorized representative of the City, at CNI's expense. CNI will not pay for salaries or fringe benefits of auditors or examiners. CNI must incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by CNI with respect to the Public Improvements. The City shall provide three (3) Business Days' prior written notice to CNI in accordance with Section 12. The notice shall indicate the date and time of the inspection. All inspections shall be conducted between the hours of 9:00 a.m. and 5:00 p.m., Monday through Friday.

21. From time to time, the parties hereto may administratively amend this Agreement with respect to any provisions reasonably related to CNI's access to the Subject Property or the Work. Provided, however, that such amendment(s) shall not serve to materially alter the essential provisions contained herein. Such amendment(s) shall be in writing, shall establish the factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both Parties. Such

amendment(s) shall only take effect upon execution by both parties. Upon execution, such amendment(s) shall become a part of this Agreement and all other provisions of this Agreement shall otherwise remain in full force and effect.

22. Business Relationships. CNI acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) notwithstanding anything to the contrary contained in this Agreement, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. CNI hereby represents and warrants that no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

23. Patriot Act Certification. CNI represents and warrants that neither CNI nor any Affiliate thereof (as defined in the next paragraph) is listed on any of the following lists

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maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment, the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to CNI that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with CNI, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

24. Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, CNI warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Agreement is executory, CNI's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Agreement, constitutes a breach of and an event of default under this Agreement, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under the Agreement, at law or in equity. This section does not limit CNI's, general contractor's and its subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Agreement. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Agreement, and may further affect CNI's eligibility for future

contract awards.

25. Failure to Maintain Eligibility to do Business with City. Failure by CNI or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of this Agreement and the transactions contemplated thereby. CNI shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

26. Cooperation with Inspector General and Legislative Inspector General. In accordance with Chapter 2-26-110 et seq. of the Municipal Code, CNI acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Office of the Inspector General and the Office of the Legislative Inspector General in connection with any activities undertaken by such office with respect to this Agreement, including, without limitation, making available to the Office of the Inspector General and the Office of the Legislative Inspector General the department's premises, equipment, personnel, books, records and papers. CNI agrees to abide by the provisions of Chapter 2-26-110 et seq.

27. Shakman Prohibitions.

(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" ( the

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"City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

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

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

iv) In the event of any communication to CNI by a City employee or City official in violation of this Section, or advocating a violation of this Section, CNI will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring

Oversight"), and also to the head of the relevant City Department utilizing services provided under this Agreement. CNI will also cooperate with any inquiries by IGO Hiring Oversight or the Shakman Monitor's Office related to the contract.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on their behalf by their duly authorized officers as of the day and year first above written.

CITY OF CHICAGO  
an Illinois municipal corporation

By:

Name:

Its: Commissioner of Planning and Development

By:

Name:

Its: Commissioner of Fleet and Facility Management

CHICAGO NEIGHBORHOOD INITIATIVES, INC. an Illinois not-for-profit corporation

By:

Name:

Its:

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AGREEMENT EXHIBIT 1 SUBJECT PROPERTY

(see attached)



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AGREEMENT EXHIBIT 2(a) LIST OF PLANS AND SPECIFICATIONS WITH RESPECT TO AND  
DESCRIPTIONS AND LOCATION OF THE PUBLIC IMPROVEMENTS

[not attached for purposes of ordinance, to be attached at execution]

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AGREEMENT EXHIBIT 2(b) PROJECT BUDGET

(see attached)

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Halsted Parkways Project Budget 2-20-14

## Site Infrastructure

Demolition and Debris Removal Soil Erosion

Earthwork Improvement\* Drainage Improvement\* Sanitary Sewer Watermain Improvement\*

## OVERALL BUDGET REVISED

HALSTED PKVYYS

2-20-14

332,937 74,000 579, ISS 1,859,250 152,825 603,500

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## Environmental

UST Removal Hot Spot Remediation Contaminated Soil Removal Unforeseen UST Removal Vapor Intrusion Removal Hydro-seed and Fencing

S 20,000

S 60,000

i 275,000

S 150,000

S 50,000

S 156,000

711,000

S 80,000

## Public Right-of-Way

Halsted Street Northbound Median and Left Turn Lane

Misc Sidewalk, Curb, Gutter, Trees - landscaping

S 126,000

Peoria Street Extension (175 lineal feet)

S 296,625

Sub-Total

S 502,625

## Englewood Square Retail Silt Work

Parking Lot Improvements

5 889,825

Asphalt Pavers Sub-Base, Foundation Walls (No Slab)

Whole Focus

5

Building E - Other inline shops

\$ 140,000

Slab for Building E Only

S 135,000

landscaping

5 235,000

1,529,825

S

Construction Management Fee

General Conditions? JO\*

5 639,511

■ Contingency w 15%

S 559,266

TOTAL HAF RO COSTS

S 7,993,884

## MBE/W3E Outreach and Compliance

Owners Representation

Civil Engineering

Environmental Engineering

Construction Site Security

IEPA Inspections

Resubdivision Surveys

Legal, General

Legal, Zoning

Legal, Vacation/Dedication

Permits and Fees

ComEd Design Charges

ComEd Relocation

Peoples Gas Fee

ATT Telecom Fee

Construction Testing

Interim Financing Costs - LISC Loan

Insurance

Sett Cost Contingency fS&gt; ION

## Developer Fee 4-25%

100,000 248,000 443,363 150,000 80,000 50,000 10,000 220,000 50,000 50,000 50,000 100,000 795,000 50,000 35,000 50,000 28,000 50,000 203,836

\$ 2,297,199 S 137,371

TOTAL PROJECT COSTS

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## CONCEPTUAL ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COST

**project:**     **HALSTED PARKWAYS**

**LOCATION:**     **Chicago, IL**

**PROJECT NO.:**     **7390**

client :     Chicago Nelghorhood Iniatives

DATE PREPARED:     2/26/2013  
LAST REVISED:     12/4/2013

PREPARED BY: JFB CHECKED BY: MSM

GROUP MANAGER:

ptAKDWFUTTCN INIIIAISI

*THE PRICES USED IN THIS UST ARE BASED ON THE AVERAGE PRICES PROM CONTRACTORS BID PRICES REVIEWED  
WTTIIN HIE PAST YEAR BYSPACECO. INC. FOR SIMIIAR PROJECTS AND/OR AVAILABLE MATERIAL & LABOR COST DATA.  
SQUE UNIT PRICES HAVE BEEN ADJUSTED TO AIJ.OW FOR SPECIAL CONDruONS. THESE UNIT PRICES DO NOT INCLUDE  
ENGINEERING FEES.*

**CONSULTING ENGINEERS \* SITE DEVELOPMENT ENGINEERS \* LAND SURVEYORS**

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## SPACECO, Inc. Estimate Comments/Assumptions December 4, 1013

### Demolition & Debrls Removal

1. Complete pavement and curb removal to full depth assumed for all areas except area of Peoria Street and Alley behind WIC shall be left in place. Off-site export assumed at this point since site is long material and on site crushing operations are not thought to be economical.
2. Existing sewers not needed for reuse will be abandoned in placed by exposing and crushing.
3. Miscellaneous debris removal includes existing light poles, bollards, and chain link fences.
4. All trees on the site will be removed and mulched. Mulch material to be removed from the site.
5. A temporary 6' chain link fence is assumed to be installed around the entire perimeter of the site during the duration of the construction work.

### Soil Erosion Sediment Control

1. Allowance includes, but is not limited to, slit fence, temporary stockpile controls, concrete washouts, and temporary sediment basins.

### Earthwork Improvements

1. Site cut number as calculated by SPACECO. Assumed to take site from existing grade to pre-cap mass grade,
2. It is assumed that after demo and mass grading work, the site would be rolled with sheeps foot/vibratory rollers to further help

consolidate the soils.

3. Clean fill will be placed only over the designated stormwater areas along Halsted Parkway, the Retail parking lot landscape areas, and Outlot B. Outlot A and the remaining areas of the site are assumed to be left uncapped. Fabric will be placed under areas designated to receive clean fill cap.

#### Foundation Improvements (Buildings E & F and (2) Retail Outlots )

1. Aggregate piers are assumed to be provided at 6' centers along all foundation walls and 4 each at each interior column footing. Piers are assumed to be 12' deep. Column spacing assumed at 40'.
2. Aggregate piers are assumed to be provided over the entire building footprint for slab support.

#### Drainage Improvements

1. Sewers only provided for parking lots for Buildings E & F and interconnection of the two off-site underground detention systems to the Halsted Street outlet.
2. Sewer stubs provided for Building G and H for future connection to the two underground detention systems.

#### Sanitary Sewer Improvements

1. Services only provided for Retail Buildings E & F.

#### Watermain Improvements

1. Only provided for Retail Buildings E & F. No service stubs for any other buildings including the retail outlots.

#### Dry Utilities

1. ComEd Relocation based on concept layout sketch provided by ComEd. Cost per foot is assumed.
2. Service allowances are assumed.

#### Parking Lot Improvements

1. Parking Lot improvements will only be provided for Buildings E & F. Surface course will not be provided.

2. 4 public roadway driveway curb cuts are included. (3) to 63<sup>rd</sup> Street & (1) to Halsted

#### Off-Site Roadway Improvements

1. Approximately 100' of the Halsted Median will be removed and the center pavement patched.
2. 63<sup>rd</sup> Street median will only require restriping. Included 3 crosswalks.

#### Peoria Street Extension

1. Approximately 175' of new street will be provided.
  2. Remaining portion of Peoria Street back to Halsted will be grind and overlaid.
- m«\* included In Estimate:

4. Soft Costs
5. Legal Costs
6. permit and Review Fees
- 7 insurance Costs
- g. construction Testing

AGREEMENT EXHIBIT 2(c) PROJECT SCHEDULE

[not attached for purposes of ordinance, to be attached at execution]

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AGREEMENT EXHIBIT 2(d) DEPARTMENTAL RESPONSIBILITIES

[not attached for purposes of ordinance, to be attached at execution]

AGREEMENT EXHIBIT 3 INSURANCE  
REQUIREMENTS

CNI must provide and maintain at CNI's own expense or caused to be provided and maintained, during the term of the Agreement and during the time period following final completion if CNI is required to return and perform any additional work, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

A. INSURANCE TO BE PROVIDED

1) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than \$1,000,000 each accident, illness or disease.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, independent contractors, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

Subcontractors performing work for CNI must maintain limits of not less than \$2,000,000 with the same terms herein.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, CNI must provide or cause to be provided Automobile Liability Insurance with limits of not less than \$5,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis. Coverage extension must include a) an MC-90 endorsement where required by the Motor Carrier Act of 1980 and b) pollution



coverage for loading, unloading and transportation of infectious waste, chemical waste, hazardous waste, and radioactive waste if applicable.

Subcontractors performing work for CNI must maintain limits of not less than \$2,000,000 with the same terms herein.

4) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, CNI must provide or caused to be provided, with respect to the operations that CNI or subcontractors perform, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than the requirement of the

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operating railroad for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

When applicable

A certified copy of the Railroad Protective Policy is to be submitted to: -Chicago Transit Authority, 567 West Lake Street, Chicago, IL 60661

A binder will be accepted until such time that policy is issued.

5) Builders Risk

When CNI or any subcontractor undertakes any construction, including improvements, betterments, and/or repairs, CNI must cause the subcontractor(s) to provide All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the project. Coverages must include but are not limited to the following: material stored off-site and in-transit, debris removal, landscaping, collapse, flood, water including overflow, leakage, sewer backup or seepage and loss from faulty workmanship or materials. The City of Chicago is to be named as an additional insured and loss payee.

The City shall not be responsible for any loss or damage to personal property (including materials, equipment, tools and supplies) owned, rented or used by CNI or any subcontractor.

6) Professional Liability

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

Subcontractors performing professional services for CNI must maintain limits of not less than \$1,000,000 with the same terms herein.

7) Valuable Papers

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

8) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, Contractors Pollution Liability must be provided covering bodily injury, property damage

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and other losses caused by pollution conditions that arise from the Agreement scope of services with limits of not less than \$1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

9) Asbestos Abatement Liability

When any asbestos work is performed in connection with this Agreement, Asbestos Abatement Liability Insurance must be provided with limits of not less than \$1,000,000 per occurrence insuring bodily injury, property damage and environmental cleanup. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of one (1) year. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

B. ADDITIONAL REQUIREMENTS

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

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

Any deductibles or self insured retentions on referenced insurance coverages must be borne by CNI.

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

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

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

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

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

CNI must require all subcontractors to provide the insurance required herein, or CNI may provide the coverages for subcontractors. All subcontractors are subject to the same insurance requirements of CNI unless otherwise specified in this Contract.

If CNI or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

Notwithstanding any provision in the Contract to the contrary, the City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirement, so long as such action does not without CNI's written consent, increase such requirements.

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AGREEMENT EXHIBIT 4 FORM OF PERFORMANCE AND  
PAYMENT BOND

[not attached for purposes of ordinance, to be attached at execution]

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AGREEMENT EXHIBIT 5 ECONOMIC DISCLOSURE STATEMENT

[not attached for purposes of ordinance, to be attached at execution]

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AGREEMENT                      EXHIBIT                      6                      ESCROW  
AGREEMENT

Escrow Account No.

#### ESCROW AGREEMENT

This ESCROW AGREEMENT (the "Escrow Agreement"), dated as of \_\_\_\_\_, 2014, is made and executed by the City of Chicago, Illinois, an Illinois municipal corporation (the "City"), Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation (the "CNI"), and \_\_\_\_\_ (the "Escrow Agent") all as more particularly described on Exhibit A hereto.

#### Preliminary Statement

The City and CNI have entered into that certain Site Preparation and Maintenance Agreement (herein as amended, supplemented and restated from time to time, the "Agreement") with CNI, dated as of the date hereof. The Title Company (as identified on Exhibit A hereto) has issued (or has issued its commitment to issue) an ALTA Owner's Title Insurance Commitment or Policy with respect to the City-owned property which is the subject of the Agreement (the "Subject Property"), referred to herein as the "Commitment."

Pursuant to Section 4(R-1) of the Agreement, the City and CNI desire to utilize the staff and expertise of the Escrow Agent to collect, review and approve lien waivers, and disburse the Escrowed Funds (as hereinafter defined), subject to the terms and conditions of this Escrow Agreement.

NOW, THEREFORE, in consideration of the Subject Property and the mutual Agreement herein contained, the parties hereto agree as follows:

#### I. Creation of and Deposits to Escrow Account.

A. Escrow Account. There is hereby created with the Escrow Agent an escrow account (the "Escrow Account"), into which all funds shall be deposited hereunder (the "Escrowed Funds"). The Escrow Agent will provide, upon written request, any information regarding the disbursement of funds from the Escrow Account.

B. [reserved]

C. City Deposits. Over the term of this Escrow Agreement, the City will deposit into the Escrow Account the Escrowed Funds, all at intervals and installments to be determined pursuant to the Agreement. At the time of each request for a disbursement to be funded hereunder, the City shall make a deposit with the Escrow Agent, in immediately available funds, in the amount approved by the City pursuant to such request for disbursement as provided in Section IV hereof, provided, however, that (i) no event shall have occurred which is or, with the passage of time or the giving of notice or both, would become an event of default under the Agreement, and (ii) each condition set forth in Section IV, as applicable, shall have been satisfied. If the City shall, pursuant to a disbursement request, deposit with the Escrow Agent

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funds in an amount greater than the amount requested from the City, the Escrow Agent shall promptly transfer the amount of such excess back to the City.

II. [reserved]

III. Manner of Disbursement. Disbursements from the Escrow Account are to be made as follows, pursuant to each draw request approved pursuant to Section IV hereof:

A. By checks to each subcontractor evidencing payment due for labor and/or materials furnished for the Work (as defined in the Agreement);

B. To the undersigned general contractor (the "General Contractor") for general requirements, builder's overhead (and for builder's profit, when applicable) and for labor and/or materials furnished directly by the General Contractor for the Work, approved by the City pursuant to such disbursement request;

C. To the General Contractor for labor and/or materials furnished by subcontractors when such items have been paid directly by the General Contractor, and when substantiated by a payment affidavit and lien waiver from the subcontractor; and/or

D. To CNI and/or other parties as approved by CNI and the City for non-construction items.

For purposes of this Escrow Agreement, the term "subcontractor" shall include all mechanics and materialmen furnishing services, labor, materials and supplies in connection with the Work.

IV. Conditions Precedent to Disbursements. NOTWITHSTANDING ANYTHING IN THIS ESCROW AGREEMENT TO THE CONTRARY, THE ESCROW AGENT SHALL NOT MAKE ANY DISBURSEMENTS HEREUNDER IF THE CITY HAS NOTIFIED THE ESCROW AGENT IN WRITING OR BY TELECOPY NOT TO DO SO. IF THE ESCROW AGENT SHALL HAVE RECEIVED SUCH A NOTICE FROM THE CITY, THE ESCROW AGENT SHALL NOT MAKE ANY DISBURSEMENTS HEREUNDER (a) EXCEPT AS PROVIDED IN SECTION V(F) HEREOF OR (b) UNLESS AND UNTIL THE CITY SHALL HAVE NOTIFIED THE ESCROW AGENT IN WRITING TO DO SO.

The additional terms and conditions under which disbursements are to be made under this Escrow

Agreement are as follows:

A. All Disbursements. The requirements for all disbursements, including the first and final disbursement, are as follows:

1. Prior to each disbursement of funds hereunder, the following shall be furnished to the Escrow Agent:

- a. [reserved];
- b. A sworn general contractor's statement setting forth in detail all contractors and material suppliers with whom CNI has contracted for the Work, their respective addresses, work or materials to be

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furnished, amounts of contracts, amounts paid to date, amounts of current payments and balances due (the "CNI's Statement"), together with the partial waiver of CNI in the amount of the draw, and waivers of liens, affidavits, supporting waivers and/or release of liens, if necessary, from subcontractors and material suppliers listed thereon;

- c. An approval of the current condition of title shown in the Commitment, from the City. When, after the first disbursement, a further title search reveals a subsequently arising exception over which the Title Company is unwilling to insure, the Escrow Agent will notify the City and discontinue disbursement until the exception has been disposed of to the satisfaction of the City. (A mechanic's lien claim over which the Title Company is required to insure hereunder does not warrant a discontinuance of disbursement);
- d. Other statements, waivers, affidavits, supporting waivers and releases of lien from such persons and in such form as may be required by the Escrow Agent for the purpose of releasing and waiving any and all rights to file mechanic's lien claims against the Subject Property (as defined in the Agreement) for those amounts and the work or materials which they represent (alternatively, CNI may enter into such indemnification arrangement with the Escrow Agent as required by the Escrow Agent to underwrite the requested coverage and issue the said required Commitment);
- e. Escrowed Funds sufficient to cover the amount of the disbursement; and
- f. A written approval by CNI and the City (signed by DPD and 2FM) of the requested disbursement and a request that the disbursement be made. For disbursements other than the first disbursement, such approval shall reference any extras or change orders not previously covered by waivers or deposited funds, and the amount of such extra or change order.

2. The Title Company shall be in a position to issue a mechanics' lien and pending disbursement endorsement to the City's Commitment, if any, in form and substance satisfactory to the City (the



"Endorsement"). The amount shown in such Endorsement shall be the amount of the total disbursement(s) made by the City to date, and the effective date thereof shall be the date the City's funds are deposited into the Escrow Account.

B. First Disbursement. Prior to the first disbursement of funds hereunder, and in addition to the requirements set forth above for all disbursements, the following shall be furnished:

1. Where applicable, the Title Company shall have furnished to the City the Commitment showing the City as the insured under the Commitment.

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C. Final Disbursement. Prior to the final disbursement of funds hereunder, and in addition to the requirements set forth above for all disbursements, the following shall be furnished:

1. A certificate addressed to the City and the Escrow Agent, from the Consultant Engineer (as defined in the Agreement), certifying that all rehabilitation or construction work has been completed and materials are in place to the extent shown in the request for payment by the General Contractor.

2. Upon completion of the Work, CNI shall promptly submit notice thereof to the Escrow Agent and the City and shall cause the Title Company to issue a final Endorsement to the City's Commitment.

V. Escrow Agent. It is understood by the parties hereto and by the General Contractor, who executed this Escrow Agreement to evidence its understanding and not as a party hereto, that the following provisions govern the duties of the Escrow Agent hereunder:

A. The Escrow Agent may, at its discretion, take whatever steps the Escrow Agent may deem necessary to verify the accuracy of any sworn statement required hereunder;

B. If at any time the Escrow Agent shall discover a misstatement of a material fact in any request or other notice from CNI, it shall promptly give notice of such discovery to the City and shall thereafter not disburse funds from the Escrow Account until such misstatements shall have been corrected to the satisfaction of the City, except as directed pursuant to the direction of the City;

C. The Escrow Agent will not accept any blanket lien waivers by the General Contractor as to labor performed and/or materials furnished by others. The Escrow Agent will not accept any blanket waiver pre-signed by any subcontractor;

D. While the subcontractors and any suppliers of labor and materials listed on sworn statements are not parties to this Escrow Agreement and have no standing hereunder, the Escrow Agent is authorized to furnish to those persons information which the Escrow Agent may deem appropriate with regard to the times at which disbursements might be made to them, and what conditions remain unsatisfied when the Escrow Agent is not in a position to disburse;

E. Any requirement or undertaking herein notwithstanding, there is no obligation assumed by the Escrow Agent for insuring that sufficient funds will be available to pay all costs incurred in completing the Work, or that the Work will be completed. Except with respect to funds for which the Escrow Agent shall have received investment instructions in writing, the

Escrow Agent shall be under no duty to invest or reinvest any cash at any time held by it hereunder. Subject to paragraph G of this Section V, all income, if-any, derived from any use which the Escrow Agent may make of any deposits hereunder shall belong to the respective depositors;

F. Subject to paragraph G of this Section V, upon receipt of written notice to the Escrow Agent from the City, the Escrow Agent shall transfer to the City all amounts previously disbursed by the City into the Escrow Account that remain in the Escrow Account;

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G. Notwithstanding paragraphs E and F of this Section V, after payment by the Escrow Agent of the final disbursement hereunder, the Escrow Agent shall disburse any funds then remaining in the Escrow Account to the City;

H. The Escrow Agent's charges for the services performed and title insurance protection furnished hereunder are the responsibility of CNI and are to be paid from funds deposited herein, and the Escrow Agent reserves the right to suspend further processing of funds in the Escrow Account until this is done or other arrangements satisfactory to the Escrow Agent have been made; and

I. It is understood by the parties hereto that the requirements listed in this Section V are solely for the Escrow Agent's benefit to assist the Escrow Agent in fulfilling its obligations hereunder.

VI. Special Provisions. Special provisions, if any, applicable to this Escrow Agreement are set forth on Exhibit E hereto. If there shall be any inconsistency between the terms of the body of this Escrow Agreement and any term set forth as a special provision on Exhibit E hereto, the term set forth as a special provision on Exhibit E shall prevail.

VII. General.

A. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth on Exhibit F hereto, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram or telecopy; (c) overnight courier, receipt requested; or (d) registered or certified mail, return receipt requested. Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) above shall be deemed received upon such personal service or upon dispatch by electronic means with confirmation of receipt. Any notice, demand or request sent pursuant to clause (c) above shall be deemed received on the Business Day (as defined below) immediately following deposit with the overnight courier, and any notice, demand or request sent pursuant to clause (d) above shall be deemed received two Business Days following deposit in the mail. "Business Day" as used herein shall mean a day on which banks in the City of Chicago are not authorized or required to remain closed and which shall not be a public holiday under the laws of the State of Illinois or any ordinance or resolution of the City of Chicago.

B. No changes, amendments, modifications, cancellations or discharge of this Escrow Agreement, or any part hereof, shall be valid unless in writing executed by the parties hereto or their respective successors and assigns.

C. No official, officer or employee of the City shall be personally liable to CNI or any successor in interest in the event of any default or breach of this Escrow Agreement by the City or for any amount which may become due to CNI or any successor in interest, or on any obligation under the terms of this Escrow Agreement.

D. The Escrow Agent, the City and CNI agree that this Escrow Agreement is not intended to give any benefits, rights, privileges, actions or remedies to any person, partnership, firm or corporation other than the Escrow Agent, the City and CNI, as a third party beneficiary or otherwise, under any theory of law.

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

F. This Escrow Agreement shall be governed as to performance and interpretation in accordance with the internal laws of the State of Illinois, without regard to its conflict of laws principles.

G. This Escrow Agreement may be executed in several counterparts, each of which shall constitute an original and all of which shall constitute one and the same instrument.

H. [reserved]

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

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IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed and delivered as of the date first written above.

CITY OF CHICAGO, ILLINOIS

By: Andrew J. Mooney Its: Commissioner of Planning and  
Development

CHICAGO NEIGHBORHOOD INITIATIVES, INC.

By:  
Name:  
Its:

[NAME OF ESCROW AGENT]

By: Its:

Escrow Agreement Exhibit A

A. PARTIES:

1. Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation, referred to herein as the "CNI", having an address at Chicago, Illinois 606 ; Attention: .
2. [reserved]
3. City of Chicago, Illinois having an address at its Department of Planning and Development, City of Chicago, 121 North LaSalle Street, 10<sup>th</sup> Floor, Chicago, Illinois 60602, Attention: Commissioner.
4. [reserved]

5. [Name of Escrow Agent], an [Illinois] corporation, referred to herein as the "Escrow Agent", having an address at \_\_\_\_\_, Chicago, Illinois 606 \_\_\_\_; Attention: \_\_\_\_\_.

Title Company: [Name of Title Company]

Escrow Agreement Exhibits B-D [reserved]

Escrow Agreement Exhibit E

Special Provisions

[If any special provision conflicts with any section of the Escrow Agreement, use the following language: "Notwithstanding anything to the contrary set forth in Section or elsewhere in this Escrow Agreement,..."]

Escrow Agreement Exhibit F

Addresses of Parties for Notice

IF TO THE CITY: As set forth on Exhibit A hereto, with copies to:

Department of Finance City of Chicago  
33 North LaSalle Street, Suite 600 Chicago, Illinois 60602  
Attention: Comptroller

Office of the Corporation Counsel City of Chicago  
121 North LaSalle Street, Room 600 Chicago, Illinois 60602  
Attention: Finance and Economic Development Division

IF TO CNI: As set forth on Exhibit A hereto, with copies to:

Chicago, Illinois 606

IF TO THE ESCROW AGENT: As set forth on Exhibit A hereto.

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AGREEMENT EXHIBIT 7 PRIOR EXPENDITURES

[not attached for purposes of ordinance, to be attached at execution]

**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:*

*A. C/CA6 0 A) U bli 66 R HfioD I hi it/A 1\^t/f< . . IK)Cj .*

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: /OOP f> f(7^ Si"-*

*C. Telephone: 11Z'^l"Zob'i Fax: 77 3 - 5 V/- Zoic') Email: ■ cjdoi^ (Q&fil^j roQg .or^j*

*D. Name of contact person: pflvif) po/ 6-*

*E. Federal Employer Identification No. (if you have one): \_*

*F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this*

EDS pertains. (Include project number and location of property, if applicable):

G. Which City agency or department is requesting this EDS? J>tft- OF ft. A ro /V//V6" AniD £>£v tcot'MW.

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

Specification # and Contract U

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## SECTION II DISCLOSURE OF OWNERSHIP INTERESTS

### A. NATURE OF THE DISCLOSING PARTY

Person

Publicly registered business corporation

Privately held business corporation

Sole proprietorship

General partnership

Limited partnership

Trust

☐ Limited liability company

☐ Limited liability partnership

☐ Joint venture

fyO Not-for-profit corporation

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

D<] Yes ☐ No ☐ Other (please specify)

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

/U-/AJO/ b> . •

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 Of 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

A/o /H^gt^ ££fs AtmOftr^O LIST Of £>/K£Q77)r<S'

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 |
|------|------------------|---|
|------|------------------|---|

/VPA' <b

### SECTION III - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

☐ Yes ☐ No

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



**SECTION IV DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES**

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

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

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

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| NAME AND ADDRESS  |          | RELATIONSHIP                   | FEES          |           |
|---|----------|--------------------------------|---------------|-----------|
| Neal & Leroy 203 N. LaSalle st 2300 Chicago, IL 60601             | Retained | Attorney                       | \$ 100,000.00 | Estimated |
| Paul Woznicki 221 N. LaSalle 38th fl Chicago, IL 60601            | Retained | Attorney                       | \$ 5,500.00   | Estimated |
| Infrastructure Engineering 33 W Monroe #1540 Chicago, IL 60603    | Retained | Engineer                       | \$ 200,000.00 | Estimated |
| CRH c/o CRDaccord 309 nW Washington #405 Chicago, IL 60606        | Retained | Owner Representation           | \$ 245,000.00 | Estimated |
| Spaceco. Inc. 9575 West Higgins Rd, Suite 700, Rosemont, IL 60018 | Retained | Surveyor and Engineer          | \$ 50,000.00  | Estimated |
| Ethos Workshop 1112 S. Washington St #110 Naperville, IL 60540    | Retained | Architect/Planner              | \$ 22,000.00  | Estimated |
| AGB Investigative Services  | Retained | Security                       | \$ 540.00     | Estimated |
| UST ID  | Retained | Environmental Testing          | \$ 51,545.00  | Paid      |
| DLA Piper   | Retained | Attorney                       | \$ 220,000.00 | Estimated |
| Pioneer   | Retained | Environmental and Geotechnical | \$ 100,000.00 | Estimated |

Chicago Neighborhood Initiatives Board of Directors 2/20/14

Jackson, Joe Keefe, Terrie Jackson, Lethy Frens, Arnyl Jacobs, Melinda Kelly, Steven Kramer, Robert McGhee, Thomas McMahon, Willard Payton, Arnold Pugh, Michael Qualizza, Christopher Smith  
 Chairman Vice Chair Secretary Treasurer

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

(Add sheets if necessary)

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

## **SECTION V -- CERTIFICATIONS**

### **A. COURT-ORDERED CHILD SUPPORT COMPLIANCE**

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

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

☐ Yes

☐ No

f^k-No person directly or indirectly owns 10% or more of the Disclosing Party.

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

☐ Yes

☐ No

### **B. FURTHER CERTIFICATIONS**

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

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

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

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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").

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
6. 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the
6. 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:

the Disclosing Party certified to the above statements.

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

### **AY ft-**

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

## 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):

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

## D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

☐ Yes ☒ No

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

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

Does the Matter involve a City Property Sale?

☐ Yes ☐ No

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

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

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

#### E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

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

N- 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to

or injury or death of their slaves), and the Disclosing Party has found no such records.

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

## SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

### A. CERTIFICATION REGARDING LOBBYING

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

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

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

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

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

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

#### B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

☐ Yes ☐ No

If "Yes," answer the three questions below:

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

☐ Yes ☐ No

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

☐ Yes ☐ No

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

☐ Yes ☐ No

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

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III  
I

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

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other



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

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

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

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

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

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

The Disclosing Party represents and warrants that:

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

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit

their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

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

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

#### CERTIFICATION

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

\_\_\_\_\_. (Print or type  
name of Disclosing Party)

\_\_\_\_\_.  
L\_\_\_\_\_

(Print or type name of person signing) (Print or type

title of person signing)

Signed and sworn to before me on (date) \_\_\_\_\_ at \_\_\_\_\_  
County, \_\_\_\_\_ (state).

Notary Public.

Commission expires:

\_\_\_\_\_

MAFUV Z MF.DUGA

NOTARY PUBLIC

My Commission Expires 12/31/2014

### CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT APPENDIX A

## FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

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

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.