



Office of the City Clerk

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

Legislation Text

File #: O2020-1543, Version: 1

1

OFFICE OF THE MAYOR

CITY OF CHICAGO

LORI E. LIGHTFOOT MAYOR

February 19, 2020

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 an ordinance authorizing the execution of a redevelopment agreement for the Ramova Theater.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

ORDINANCE

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

WHEREAS, pursuant to an ordinance adopted by the City Council (the "City Council") of the City of Chicago (the "City") on January 14, 1997 and published at pages 36945-37308 of the Journal of the Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (the "Plan") for the 35th/Halsted redevelopment project area (the "Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on January 14, 1997 and published at pages 37308-37315 of the Journal of such date, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on January 14, 1997 and published at pages 37315-37322 of the Journal of such date, and amended pursuant to an ordinance adopted by the City Council on May 5, 2004 and published at pages 22456-22468 of the Journal of such date (collectively, the "TIF Ordinance"), tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, pursuant to Section 5/11-74.4-8(b) of the Act and the TIF Ordinance, incremental taxes ("Incremental Taxes") are deposited from time to time in the "35th/Halsted Redevelopment Project Area Special Tax Allocation Fund" (the "TIF Fund") established pursuant to the TIF Ordinance; and

WHEREAS, the City is the owner of that certain real property located in the Area, commonly known as 3518-20 South Halsted Street, Chicago, Illinois, and legally described on Exhibit A attached hereto (the "Disposition Parcels"), on which is located the historic Ramova Theater building (the "Theater"); and

WHEREAS, Our Revival Chicago, LLC, a Delaware limited liability company (the "Developer"), has submitted a proposal to the Department of Planning and Development ("DPD") to purchase the Disposition Parcels, which has an appraised fair market value of \$765,000, for \$1, and redevelop the Disposition Parcels and neighboring real property owned or to be acquired by the Developer (at 3506, 3508-3516 and 3531-3547 South Halsted Street) by renovating the Theater and developing a restaurant, brewery and accessory parking, all in accordance with the Plan (the "Project"); and

WHEREAS, the Project is consistent with the goals and objectives of the Plan; and

WHEREAS, by Resolution No. 20-001-21, adopted by the Plan Commission of the City of Chicago on January 23, 2020, the Plan Commission recommended the sale of the Disposition Parcels; and

WHEREAS, by Resolution No. 19-CDC-24 adopted on December 10, 2019, the Community Development Commission ("CDC") authorized the DPD to advertise its intent to sell the Disposition Parcels to the Developer and request alternative proposals for the sale and redevelopment of the Disposition Parcels; and

1

WHEREAS, public notices advertising the proposed sale and requesting alternative proposals appeared in the Chicago Sun-Times on December 14, 2019, December 21, 2019, and December 28, 2019; and

WHEREAS, no alternative proposals have been received by the deadline set forth in the aforesaid public notices; and

WHEREAS, the Developer has proposed to undertake the Project pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by Developer and the City to be financed in part by a portion of Incremental Taxes, if any, deposited in the TIF Fund pursuant to Section 5/11-74.4-8(b) of the Act; and

WHEREAS, pursuant to Resolution 19-CDC-24 adopted by CDC on December 10, 2019, CDC has recommended that Developer be designated as the developer for the Project (as defined in such resolution) and that DPD be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Developer for the Project; now, therefore,

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

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

SECTION 2. Developer is hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.

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

SECTION 4. The City Council of the City hereby finds that the City is authorized to pay \$6,640,000 ("City Funds") from Incremental Taxes deposited in the general account of the TIF Fund (the "General Account") to Developer to finance a portion of the eligible costs included within the Project. The proceeds of the City Funds are hereby appropriated for the purposes set forth in this Section 4.

SECTION 5. Pursuant to the TIF Ordinance, the City has created the TIF Fund. The Chief Financial Officer (or his or her designee) of the City is hereby directed to maintain the TIF Fund as a segregated interest-bearing account, separate and apart from the City's Corporate Fund or any other fund of the City. Pursuant to the TIF Ordinance, all Incremental Taxes received by the City for the Area shall be deposited into the TIF Fund. The City shall use the funds in the TIF Fund to make payments pursuant to the terms of the Redevelopment Agreement.

SECTION 6. The Mayor, the Chief Financial Officer, the Comptroller, the City Clerk and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this ordinance.

2

SECTION 7. The sale of the Disposition Parcels to the Developer in the amount of \$1 is hereby approved. This approval is expressly conditioned upon the City entering into the Redevelopment Agreement with the Developer.

SECTION 8. The Mayor or a proxy of the Mayor is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed conveying the Disposition Parcels to Developer, or to a land trust of which Developer is the sole beneficiary, or to an entity of which Developer is the sole owner and the controlling party, subject to those covenants, conditions and restrictions set forth in this Ordinance.

SECTION 9. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 10. This ordinance shall be effective as of the date of its passage and approval.

3

EXHIBIT 1

DISPOSITION PARCELS (subject to final title
and survey)

PARCEL I:

THAT PART OF LOTS 4 TO 8 IN BLOCK 1 IN GAGE AND OTHERS SUBDIVISION OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF LOT 4; THENCE EAST AT RIGHT ANGLES THERETO 95.09 FEET; THENCE SOUTH AT RIGHT ANGLES THERETO 98.69 FEET; THENCE EAST AT RIGHT ANGLES THERETO 54.91 FEET TO A POINT ON THE EAST LINE OF LOT 7 AFORESAID 32.38 FEET NORTH OF THE SOUTHEAST CORNER OF LOT 8 AFORESAID; THENCE SOUTH ALONG THE EAST LINE OF LOTS 7 AND 8 AFORESAID 32.38 FEET TO THE SOUTHEAST CORNER OF LOT 8; THENCE WEST ALONG THE SOUTH LINE OF LOT 8 AFORESAID TO THE SOUTHWEST CORNER THEREOF; THENCE NORTH ALONG THE WEST LINE OF LOTS 4 TO 8 AFORESAID TO THE

NORTHWEST CORNER OF LOT 4, IN COOK COUNTY, ILLINOIS.

Permanent Index Number: 17-32-404-026-0000

Common address: 3518 South Halsted Street, Chicago, Illinois

PARCEL II:

LOT 9 IN BLOCK 1 IN SUBDIVISION BY GEORGE W. GAGE AND OTHERS SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. ^N

Permanent Index Number: 17-32-404-019-0000

Common address: 3520 South Halsted Street, Chicago, Illinois

4

EXHIBIT 2

FORM OF REDEVELOPMENT AGREEMENT See attached.

7

This agreement was prepared by and
after recording return to:
Ann R. Kaplan-Perkins, Esq.
City of Chicago Department of Law
121 North LaSalle Street, Room 600
Chicago, IL 60602

RAMOVA THEATER REDEVELOPMENT AGREEMENT

This Ramova Theater Redevelopment Agreement (this "Agreement") is made as of this __ day of __, 2020, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Our Revival Chicago, LLC, a Delaware limited liability company (the "Developer").

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances: (1) on January 14, 1997, "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 35th/Halsted Redevelopment Project Area" (the "Plan Adoption Ordinance"); (2) on January 14, 1997, "An Ordinance of the City of Chicago, Illinois Designating the 35th/Halsted Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; (3) on January 14, 1997, "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 35th/Halsted Redevelopment Project Area" (the "TIF Adoption Ordinance"); and (4) on May 5, 2004, "Approval of Amendment No. 1 to 35th/Halsted Tax Increment Financing Redevelopment Project and Plan" (the "Plan Amendment") (items(1)-(4) collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. Sale of City Parcels. The City owns property located at 3518-20 South Halsted Street (the "Disposition Parcels" legally described in Exhibit B-1 hereto), on which property is the historic Ramova Theater Building that the City desires to be redeveloped. Developer intends to purchase the Disposition Parcels from the City.

E. The Project: Developer intends to redevelop the Ramova Theater Building as an approximately 38,761 square foot theater (the "Theater"). The Developer also intends to purchase the properties located at 3506 South Halsted Street (the "3506 Property"), 3508-3516 South Halsted Street (the "3508 Property," and together with the 3506 Property, the "West

116629 000001 4837-4834-6287 3

Property") and 3531-3547 South Halsted Street (the "East Property") (the three foregoing properties shall be known collectively herein as the "Developer Property," as legally described in Exhibit B-2 hereto, and together with the Disposition Parcels, the "Project Property"). The Developer plans to redevelop the Project Property within the time frames set forth in Section 3.01 hereof to include: the renovation of the Theater; development of a restaurant ("Restaurant") and brewery ("Brewery"); and development of the East Property for use as accessory parking. The Theater and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

F. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago 35th/Halsted Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") included in the Plan Adoption Ordinance and published at pages 36945 - 37308 of the Journal of the Proceedings of the City Council, as amended by the Plan Amendment.

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

In addition, the City may, in its discretion, issue tax increment allocation bonds ("TIF Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "TIF Bond Ordinance") at a later date

as described in Section 4.03(d) hereof, the proceeds of which (the "TIF Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes or in order to reimburse the City for the costs of TIF-Funded Improvements.

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

SECTION 1. RECITALS, HEADINGS AND EXHIBITS

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

Table of Contents

List of Exhibits

1. Recitals, Headings and EA *Redevelopment Area B-1 *Disposition Parcels B-2 *Developer Property (Sale and Purchase of Displ
Improvements D Construction Contract E *Permitted Liens F Escrow Agri
Project 4. Financing 5. Con
Agreements with Contracto

7. G-1 'Project Budget G-2 *MBE/WBE Budget H Approved Prior Expenditures I Opinion of Deve
Com of Subordination Agreement M Form of Payment Bond N *Developer Note O Recapture Mortg
pletio
n of
Cons
tructi
on or
Reha
bilitat
ion 8.
Cove
nants
/Repr
esent
ation
s/Wa
rranti
es of
Deve
loper
9.
Cove
nants
/Repr
esent
ation
s/Wa
rranti
es of
the
City
10.
Deve
loper'
s
Empl
oyme
nt
Oblig
ation
s 11.
Envir
onme
ntal
Matte
rs 12.
Insur
ance
13.
Inde
mnifi
catio
n 14.
Maint
ainin
g
Reco
rds/R

Recitals
Right
to
Inspe
ct 15.
Defa
ults
and
Rem
edies
16.
Mort
gagin
g
ofthe
Proje
ct 17.
Notic
e 18.
Misc
ellan
eous

SECTION 2. DEFINITIONS

For purposes of this Agreement, in addition to the terms defined in the foregoing recitals, the following terms shall have the meanings set forth below:

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

"Affiliate" shall mean any person or entity directly or indirectly controlling, controlled by or under common control with Developer.

"AIS" shall have the meaning set forth in Section 2A(g).

"Annual Compliance Report" shall mean a signed report from Developer to the City delivered on or before the first business day in April during the Compliance Period and covering the following during the preceding calendar year (or portion thereof): (a) itemizing each of Developer's obligations under the RDA, (b) certifying Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that Developer is not in default, beyond any applicable notice and cure period, with respect to any provision of the RDA, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Operating Covenant (Section 8.22); (2) compliance with the Jobs Covenant (Section 8.06); (3) delivery of Financial Statements and unaudited financial statements (Section 8.13); (4) delivery of updated insurance certificates, if applicable (Section 8.14); (5) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (6) notification of a Capital Event (Section 4.08); (7) delivery of evidence of compliance with the City of Chicago's Sustainable Development Policy (Section 8.24); and (8) compliance with the Minimum Occupancy Covenant (Section 8.23).

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

"Bond(s)" shall have the meaning set forth for such term in Section 8.05 hereof.

116629 000001 4837-4834-6287 3

"Bond Ordinance" shall mean the City ordinance authorizing the issuance of Bonds.

"Capital Event" shall mean: (a) during the Clawback Period, any arms-length sale, transfer or refinancing of the Project or any part thereof, including any New Mortgage, except for (i) refinancing of construction loan Lender Financing to a permanent loan of the same or lesser amount; (ii) refinancing to a lower interest rate (iii) enforcement of the Lender Financing or deed in lieu thereof; or (iv) intraparty sales or transfers of ownership interests between or among equity partners, including increases to the Sponsor's ownership interest, as of the commencement of the Clawback Period; and (b) after the Clawback Period until the end of the Compliance Period, (i) any arms-length sale or transfer of more than 33% per calendar year of ownership interest in the Developer except to the Sponsor or an entity in which the Sponsor is the controlling party or (ii) a reduction in Sponsor's ownership interest in Developer by more than 10%.

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

"Change Order" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications which meets one or more of the criteria described in Section 3.04.

"City Contract" shall have the meaning set forth in Section 8.01(1) hereof.

"City Council" shall have the meaning set forth in the Recitals hereof.

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

"Clawback Period" shall commence on the date of this Agreement and terminate on the third anniversary of the Certificate.

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

"Compliance Period" shall mean the ten-year period commencing on the date of the Certificate and terminating on the tenth anniversary of the issuance of the Certificate, except as such period may be extended pursuant to Section 15.03.

"Consultant's Report" shall have the meaning set forth in Section 8.27(a) hereof.

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

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

"Construction Contract" shall mean that certain contract, substantially in the form attached hereto as Exhibit D, to be entered into between Developer and the General Contractor providing for construction of the Project.

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

"Developer Note" means that certain Note in substantially the form attached as Exhibit N hereto made

by Developer to the City in the original principal amount of the City Funds.

116629 000001 4837-4834-6287 3

"Developer Parties" means the Developer, its Affiliates, and the respective officers, directors, trustees, employees, agents, successors and assigns of the Developer and its Affiliates.

"Disposition Parcels" shall have the meaning set forth in the Recitals hereof.

"Disposition Parcels Closing Date" shall mean the Closing Date.

"Disposition Parcels Deed" shall have the meaning set forth in Section 2A(b) hereof.

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

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

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

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

"Environmental Documents" means all reports, surveys, field data, correspondence and analytical results prepared by or for the Developer (or otherwise obtained by the Developer) regarding the condition of the Disposition Parcels or any portion thereof, including, without limitation, the SRP Documents.

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

"Escrow" shall mean the construction escrow established pursuant to the Escrow Agreement.

"Escrow Agreement" shall mean the Escrow Agreement establishing a construction escrow, to be entered into as of the date hereof by the Title Company (or an affiliate of the Title Company), Developer and Developer's lender(s), substantially in the form of Exhibit F attached hereto.

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

116629 000001 4837-4834-6287 3

"Fair Market Value" means the fair market value of the Disposition Parcels, as determined by that certain Appraisal Report, prepared by Cadence Valuation and dated November 26, 2019.

"Final NFR Letter" means a comprehensive "No Further Remediation" letter issued by the IEPA approving the use of the Disposition Parcels for the construction, development and operation of the Project in accordance with a site plan approved by the City and the terms and conditions of the SRP Documents, as amended or supplemented from time to time. The Final NFR Letter shall state that the Project Property meets TACO Tier 1 remediation objectives (residential or commercial as applicable), and the construction worker exposure route as set forth in 35 Ill. Adm. Code Part 742, but may be reasonably conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA.

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

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

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

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

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

"IEPA" means the Illinois Environmental Protection Agency.

"In Balance" shall have the meaning set forth in Section 4.07 hereof.

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof. Incremental Taxes shall include such surplus ad valorem taxes which have been deposited in the TIF Fund as of the Closing Date and ad valorem taxes which are deposited in the TIF Fund after the Closing Date.

"Indemnatee" and "Indemnitees" shall have the meanings set forth in Section 13.01 hereof.

"Lender Financing" shall mean funds borrowed by Developer from one or more lenders and irrevocably available to pay for costs of the Project, in the amount set forth in Section 4.01

116629 000001 4837-4834-6287.3

hereof (or such lesser amount in the event of a re-finance or conversion from a construction loan to a permanent loan).

"Losses," as used in Section 2A(g) hereof, shall mean any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs and expenses (including, without limitation, reasonable attorney's fees and expenses, consultants' fees and expenses and court costs).

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

"MBEAA/BE Budget" shall mean the budget attached hereto as Exhibit G-2, as described in Section 10.03.

"MBEAA/BE Program" shall have the meaning set forth in Section 10.03 hereof.

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

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

"Non-Governmental Charges" shall mean all non-governmental charges, liens, claims, or encumbrances relating to Developer, the Project Property or the Project.

"OBM" shall have the meaning set forth in Section 8.27(c) hereof.

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

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

"Phase I ESA" shall have the meaning set forth in Section 2A(g).

"Phase II ESA" shall have the meaning set forth in Section 2A(g).

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

"Principal" shall mean the principal balance of the Developer Note, as may be adjusted from time to time based on the City's forgiveness of the Loan.

"Prior Expenditure(s)" shall have the meaning set forth in Section 4 05(a) hereof.

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

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

116629 000001 4837-4834-6287 3

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

"Purchase Price" shall have the meaning set forth in Section 2A(a).

"RAP Approval Letter" shall have the meaning set forth in Section 2A(g).

"Recapture Mortgage" shall mean a Recapture Mortgage in substantially the form attached hereto as Exhibit O delivered to the City to secure the Developer Note.

"REC(s)" shall have the meaning set forth in Section 2A(g).

"Redevelopment Area" shall have the meaning set forth in the Recitals hereof.

"Redevelopment Plan" shall have the meaning set forth in the Recitals hereof.

"Redevelopment Project Costs" shall mean redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget set forth in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

"Released Claims" shall have the meaning set forth in Section 2A(i). '

"Remediation Work" means all investigation, sampling, monitoring, testing, removal, response, disposal, storage, remediation, treatment and other activities necessary to obtain a Final NFR Letter for the Project Property in accordance with the terms and conditions of the SRP Documents, all requirements of the IEPA and all applicable Laws, including, without limitation, all applicable Environmental Laws.

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

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

"Sponsor" shall mean Tyler Nevius, an individual.

"SRP" means the IEPA's Site Remediation Program as set forth in Title XVII of the Illinois Environmental Protection Act, 415 ILCS 5/58 et seq., and the regulations promulgated thereunder.

"SRP Documents" means all documents submitted to the IEPA under the SRP program, as amended or supplemented from time to time, ' including, without limitation, the Comprehensive Site Investigation and Remediation Objectives Report, the Remedial Action Plan, and the Remedial Action Completion Report.

"Survey" shall mean one or more plats of survey in the most recently revised form of ALTA/ACSM land title survey of the Project Property, meeting the 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, effective February 23, 2011, dated within 75 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Project Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof

116629 000001 4837-4834-6287 3

to reflect improvements to the Project Property in connection with the construction of the Theater and related improvements as required by the City or lender(s) providing Lender Financing).

"TACO" means the Tiered Approach to Corrective Action Objectives codified at 35 Ill. Adm. Code Part 742 et seq.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the later of (a) tenth anniversary of the issuance of the Certificate; (b) the eleventh anniversary of the issuance of the Certificate if Developer opts for a single Occupancy Cure Period as defined in Section 15.03; and (c) the twelfth anniversary of the issuance of the Certificate if Developer opts for two Occupancy Cure Periods.

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

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

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

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

"TIF Fund" shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

"TIF-Funded Improvements" shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. Exhibit C lists the TIF-Funded Improvements for the Project.

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

"Title Commitment" shall have the meaning set forth in Section 2A(d).

"Title Company" shall mean Chicago Title Insurance Company.

"Title Policy" means a title insurance policy issued by the Title Company in the most recently revised ALTA or equivalent form, showing the Developer as the named insured with respect to the Disposition Parcels.

"USTs" shall have the meaning set forth in Section 2A(h).

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

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

116629 000001 4837-4834-6287 3

SECTION 2A. SALE AND PURCHASE OF DISPOSITION PARCELS

2A Conveyance of the Disposition Parcels. The following provisions shall govern the City's conveyance of the Disposition Parcels to the Developer:

a) Purchase Price. The City hereby agrees to sell, and the Developer hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the Disposition Parcels, for One Dollar (\$1.00) (the "Purchase Price"), which is to be paid to the City on or before the Disposition Parcels Closing Date in cash or by certified or cashier's check or wire transfer of immediately available funds. The Developer shall pay all escrow fees and other title insurance fees, premiums and closing costs. The Developer acknowledges and agrees that (i) the appraised fair market value of the Disposition Parcels is approximately \$765,000.00 based on an appraisal dated November 26, 2019 and (ii) the City has only agreed to sell the Disposition Parcels to the Developer for the Purchase Price because the Developer has agreed to execute this Agreement and comply with its terms and conditions. The Developer specifically acknowledges and agrees that the purpose of the sale is to facilitate the development of the Project.

b) Form of Deed. The City shall convey the Disposition Parcels to the Developer by quitclaim deed (the "Disposition Parcels Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the deed, the standard exceptions in an ALTA title insurance policy; all general real estate taxes and any special assessments or other taxes; all easements, encroachments, covenants and restrictions of record and not shown of record; such other title defects as may exist; and any and all exceptions caused by the acts of the Developer, its Affiliates and their agents.

c) Covenants Running with the Land. The conveyance of the Disposition Parcels to the Developer shall be subject to the following covenants, which shall run with the land and be binding on the Developer and its successors and assigns to the fullest extent permitted by law and equity for the benefit and in favor of the City, and shall be enforceable by the City:

- i) The Developer shall use the Disposition Parcels in compliance with the Redevelopment Plan for so long as the Redevelopment Plan remains in effect.
- ii) The Developer shall obtain planned development approval for any development on the Disposition Parcels.
- iii) The Developer shall not, without the prior written consent of DPD, which consent shall be in DPD's sole discretion: directly or indirectly sell, transfer, convey, lease or otherwise dispose of all or any portion of the Disposition Parcels or any interest therein during the Term of the Agreement to any party other than an Affiliate. The Developer acknowledges and agrees that DPD may withhold its consent above if, among other reasons, the sale or transfer price is less than Fair Market Value.
- iv) During the Term of the Agreement, the Developer may not, without the prior written consent of DPD, which consent shall be in DPD's sole discretion, engage in any financing or other transaction, other than Lender Financing, which would create an encumbrance or lien on the Disposition Parcels.

116629 000001 4837-4834-6287.3

- v) The Developer shall obtain a Final NFR Letter for the Disposition Parcels and comply with all land use restrictions, institutional controls and other terms and conditions contained in the Final NFR Letter.
- vi) The Developer shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in the sale, lease, rental, use or occupancy of the Disposition Parcels or the Property Project or any part thereof.

d) Title and Survey. The Developer shall, no later than thirty (30) days prior to the Disposition Parcels Closing Date obtain at its expense and deliver to the City a Survey of the Disposition Parcels and a commitment for an owner's policy of title insurance issued by the Title Company (the "Title Commitment") in an amount not less than the Fair Market Value. The Developer shall be solely responsible for and shall pay all costs associated with updating the Title Commitment (including ail search, continuation and later-date fees), and obtaining the Title Policy and any endorsements. The City shall have no obligation to cure title defects; provided, however, the City shall reasonably cooperate (without cost to the City) with Developer's requests to cure title defects that impair the Developer's ability to develop and operate the Project; provided further, however, if there are exceptions for general real estate taxes due or unpaid prior to the Disposition Parcels Closing Date with respect to the Disposition Parcels or liens for such unpaid property taxes, the City shall, as applicable, request that the County void the unpaid taxes as provided in Section 21-100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or file a tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. If, after taking the foregoing actions and diligently pursuing same, the Disposition Parcels remains subject to any tax liens, or if the Disposition Parcels are encumbered with any other exceptions that would adversely affect the use and insurability of the Disposition Parcels for the development of the Disposition Parcels Project, the Developer shall, as its sole remedy, have the option to either (i) proceed with the purchase subject to all defects and exceptions, or (ii) terminate its right to purchase under this Section 2A, whereupon such purchase right shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder with respect to the Disposition Parcels. If the Developer elects not to terminate its purchase right pursuant to this Section 2A(d), the Developer agrees to accept title subject to all exceptions.

e) Closing. The conveyance of the Disposition Parcels shall take place on the Disposition Parcels Closing Date at the downtown offices of the Title Company or such other place as the parties may mutually agree upon in writing; provided, however, in no event shall the closing of the land sale occur unless the Developer has satisfied all conditions precedent set forth in this Section 2A, unless DPD, in its sole discretion, waives such conditions. On or before the Disposition Parcels Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, water certification or waiver thereof, and an ALTA statement. The City will not provide a gap undertaking. The Developer shall pay to record the Disposition Parcels Deed and any other documents incident to the conveyance of the Disposition Parcels to the Developer.

f) "AS IS" SALE. THE DEVELOPER ACKNOWLEDGES THAT IT HAS HAD OR WILL HAVE ADEQUATE OPPORTUNITY TO INSPECT AND EVALUATE THE

116629 000001 4837-1834-6287 3

STRUCTURAL, PHYSICAL AND ENVIRONMENTAL CONDITION AND RISKS OF THE DISPOSITION PARCELS AND ACCEPTS THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE DISPOSITION PARCELS. THE DEVELOPER AGREES TO ACCEPT THE DISPOSITION PARCELS IN THEIR "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT CLOSING WITHOUT ANY COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, AS TO THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE DISPOSITION PARCELS OR THE SUITABILITY OF THE DISPOSITION PARCELS FOR ANY PURPOSE WHATSOEVER. THE DEVELOPER ACKNOWLEDGES THAT IT IS RELYING SOLELY UPON ITS OWN INSPECTION AND OTHER DUE DILIGENCE ACTIVITIES AND NOT UPON ANY INFORMATION (INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL STUDIES OR REPORTS OF ANY KIND) PROVIDED BY OR ON BEHALF OF THE CITY OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. THE DEVELOPER AGREES THAT IT IS ITS SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM ANY REMEDIATION WORK AND TAKE SUCH OTHER ACTION AS IS NECESSARY TO PUT THE DISPOSITION PARCELS IN A CONDITION WHICH IS SUITABLE FOR ITS INTENDED USE.

(g) Environmental Due Diligence and Remediation.

Developer will conduct Hazardous Building Material Surveys of all buildings included in the Project or on the Project Property prior to conducting any work. While conducting the work of the Project, the Developer must utilize the results of the Hazardous Materials Survey and use reasonable precautions to prevent the release of Hazardous Materials, such as asbestos, lead-based paint, and other contaminants. Developer and its subcontractors must conduct such work in accordance with all local, state, and federal regulations.

The Developer has provided the City with Phase I Environmental Site Assessments ("Phase I ESAs") compliant with ASTM E-1527-13 for each parcel included in the Project Property.

The Phase I ESAs for the Project Property identified a Recognized Environmental Condition ("REC"), namely nearby former dry cleaning operations.

For the Disposition Parcels, the Developer shall conduct TCLP analysis on the sample SB-2 collected from 0-3 feet to determine if hazardous waste lead is present. If the TCLP confirms the presence of hazardous waste lead contaminated soil, then the Developer must enroll the Parcel in the Illinois Environmental Protection Agency ("IEPA") Site Remediation Program ("SRP").

The Developer covenants and agrees to complete all Remediation Work necessary to obtain a Final Focused Industrial/Commercial No Further Remediation ("NFR") Letter for lead for the Project Property using all reasonable means. The City shall have the right to review in advance and approve all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the SRP Documents and any changes thereto, and the Developer's estimate of the cost to perform the Remediation Work. The Developer shall bear sole responsibility for all costs of the Remediation Work necessary to obtain the NFR Letter, and the costs of any other investigative and cleanup costs associated with the Project Property. The Developer shall promptly transmit to the City copies of all Environmental Documents prepared or received with respect to the Remediation Work, including, without limitation, any written communications delivered to or received from the IEPA

116629 000001 4837-4834-6287 3

or other regulatory agencies. The Developer acknowledges and agrees that the City will not permit occupancy until the IEPA has issued, and the Developer has recorded with the Cook County Recorder of Deeds and the

City has approved, a Final NFR Letter for the Property, which approval shall not be unreasonably withheld. If the Developer fails to obtain the Final NFR Letter within six (6) months of the submission of the Remedial Action Completion Report to the IEPA, then the City shall have the right to record a notice of default of this Agreement against the Project Property.

The Developer must abide by the terms and conditions of the Final NFR letter.

For the East Property, if no excavation or construction is planned then no sampling is required.

Prior to limited excavation activities needed for the maintenance, repair or landscaping for the East Property (for example, trenching 0-3 feet around perimeter of the parking lot for landscaping), the Developer shall conduct a limited Phase II Environmental Site Assessment ("Phase II ESA") to ascertain the presence of any environmental impacts that may be associated with the REC.

The City shall have the right to review and approve the scope of work prior to the Phase II ESA being conducted. The Phase II ESA must be approved by the City.

If contamination is above construction worker remediation objectives as determined by Title 35 of the Illinois Administrative Code ("IAC") Part 742, then the Developer will create a Health and Safety Plan to protect the workers conducting any excavation.

Prior to construction activities on the East Property, the Developer shall conduct a limited Phase II Environmental Site Assessment ("Phase II ESA") to ascertain the presence of any environmental impacts that may be associated with the REC.

The City shall have the right to review and approve the scope of work prior to the Phase II ESA being conducted. The Phase II ESA must be approved by the City.

Upon the request of the City of Chicago Department of Assets, Information and Services ("AIS"), the Developer shall perform additional studies and tests for the purpose of determining whether any environmental or health risks would be associated with the development of the Project on the Project Property, including, without limitation, updating or expanding the Phase I ESA and performing initial or additional Phase II testing.

If contamination is above remediation objectives for the intended building use as determined by Title 35 of the Illinois Administrative Code ("IAC") Part 742, then the Developer must enroll the Project Property (or any portion thereof) in the Illinois Environmental Protection Agency ("IEPA") Site Remediation Program ("SRP"), unless the City determines that it is not necessary to enroll the Project Property (or portion thereof) in the SRP.

The Developer covenants and agrees to complete all Remediation Work necessary to obtain a Final Focused Industrial/Commercial No Further Remediation ("NFR") Letter for lead for the Project Property using all reasonable means. The City shall have the right to review in advance and approve all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the SRP Documents and any changes thereto, and the Developer's estimate of the cost to perform the Remediation Work. The Developer shall bear sole responsibility for all costs of the Remediation Work necessary to

obtain the NFR Letter, and the costs of any other investigative and cleanup costs associated with the Project Property. The Developer shall promptly transmit to the City copies of all Environmental Documents prepared or received with respect to the Remediation Work, including, without limitation, any written communications

delivered to or received from the IEPA or other regulatory agencies. The Developer acknowledges and agrees that the City will not permit occupancy of the Project until the IEPA has issued, and the Developer has recorded with the Cook County Recorder of Deeds and the City has approved, a Final NFR Letter for the Project Property, which approval shall not be unreasonably withheld. If the Developer fails to obtain the Final NFR Letter within six (6) months of the submission of the Remedial Action Completion Report to the IEPA, then the City shall have the right to record a notice of default of this Agreement against the Project Property.

The Developer must abide by the terms and conditions of the Final NFR letter.

(h) Jintentionally omitted]

(i) Release and Indemnification. The Developer, on behalf of itself and the Developer Parties, hereby releases, relinquishes and forever discharges the City, its officers, agents and employees, from and against any and all Losses which the Developer or any of the Developer Parties ever had, now have, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, foreseen or unforeseen, now existing or occurring after the Disposition Parcels Closing Date, based upon, arising out of or in any way connected with, directly or indirectly (i) any environmental contamination, pollution or hazards associated with the Project Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Materials, or threatened release, emission or discharge of Hazardous Materials; (ii) the structural, physical or environmental condition of the Project Property, including, without limitation, the presence or suspected presence of Hazardous Materials in, on, under or about the Project Property or the migration of Hazardous Materials from or to the Project Property; (iii) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any governmental or regulatory body response costs, natural resource damages or Losses arising under CERCLA; and (iv) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the Project Property or any

improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore, the Developer shall indemnify, defend (through an attorney reasonably acceptable to the City) and hold the City and its officers, agents and employees harmless from and against any and all Losses which may be made or asserted by any third parties (including, without limitation, any of the Developer Parties) arising out of or in any way connected with, directly or indirectly, any of the Released Claims; provided, however, that the Developer shall have no obligation to an Indemnitee arising from the willful misconduct of that Indemnitee.

(j) Release Runs with the Land. The covenant of release in Section 2A(i) above shall run with the Project Property, and shall be binding upon all successors and assigns of the Developer with respect to the Project Property, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity

14

116629 000001 4837-4834-6287.3

1

owning, leasing, occupying, using or possessing any portion of the Project Property under or through the Developer following the date of the Deed. The Developer acknowledges and agrees that the foregoing covenant of release constitutes a material inducement to the City to enter into this Agreement, and that, but for such release, the City would not have agreed to convey the Disposition Parcels to the Developer. It is expressly agreed and understood by and between the Developer and the City that, should any future obligation of the Developer or any of the Developer Parties arise or be alleged to arise in connection with any environmental, soil or other condition of the Project Property, neither the Developer nor any of the Developer Parties will assert that those obligations must be satisfied in whole or in part by the City because Section 2A(i) contains a full, complete and final release of all such claims.

(k) Survival. This Section 2A shall survive the Disposition Parcels Closing Date or any termination of this Agreement (regardless of the reason for such termination).

SECTION 3. THE PROJECT

1 The Project. With respect to the Theater, Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence renovation no later than October 31, 2020; and (ii) complete construction and conduct business operations therein no later than October 31, 2021. Provided Developer is diligently taking action to commence construction and upon request from Developer, DPD shall extend the commencement date by up to 90 days and shall extend the completion date by the same period.

2 Scope Drawings and Plans and Specifications. Developer has delivered the Scope Drawings

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

3 Project Budget. Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than Twenty Two Million Eight Hundred Seventy Six Thousand Eight Hundred Ninety-Three Dollars (\$22,876,893). Developer hereby certifies to the City that (a) it has Lender Financing and Equity in an amount sufficient to pay for all Project costs; and (b) the Project Budget' is true, correct and complete in all material respects. Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

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

116629 000001 4837-4834-6287 3

than as described in Recital E to this Agreement; (c) a delay in the completion of the Project by six (6) months or more; or (d) Change Orders resulting in an aggregate increase to the Project Budget for the Project of ten percent (10%) or more. Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by Developer of DPD's written approval (to the extent said City prior approval is required pursuant to the terms of this Agreement). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to Developer. Notwithstanding anything to the contrary in this Section 3.04, Change Orders other than those set forth above do not require DPD's prior written approval as set forth in this Section 3.04, but DPD shall be notified in writing of all such Change Orders within 10 business days after the execution of such Change Order and Developer, in connection with such notice, shall identify to DPD the source of funding therefor.

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

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

as required hereunder.

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

8 Inspecting Agent or Architect. An independent agent or architect (other than Developer's architect) approved by DPD and the lender providing Lender Financing shall be selected to act as the inspecting agent or architect, at Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Project hereunder.

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

116629 000001 4837-4834-6287 3

10 Signs and Public Relations. Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Project Property during the construction of the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding Developer, the Project Property and the Project in the City's promotional literature and communications.

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

12 Permit Fees. In connection with the Project, Developer shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City of Chicago and are of general applicability to other property within the City of Chicago.

SECTION 4. FINANCING

1 Total Project Cost and Sources of Funds. The cost of the Project is estimated to

1 be \$22,876,893, to be applied in the manner set forth in the Project Budget. Such costs shall be

1 funded from the following sources:

Equity - Investors	\$6,575,636
Equity - Sponsor (subject to Sections 4.03(b) and 4.06)	\$150,000
Lender Financing	\$8,511,257
State Funds/State Funds Bridge Loan	\$1,000,000
TIF Bridge Loan	\$6,640,000

ESTIMATED TOTAL \$22,876,893

2 Developer Funds. Equity and/or Lender Financing shall be used to pay all Project costs, including but not limited to Redevelopment Project costs and costs of TIF-Funded Improvements.

3 City Funds.

a) Uses of City Funds. City Funds may only be used to pay directly or reimburse Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05 (d)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds shall not be loaned to Developer hereunder prior to the issuance of a Certificate.

b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to loan up to \$6,640,000 in City funds from Incremental Taxes (the "City Funds") to pay for or reimburse Developer for the costs of the TIF-Funded Improvements,

116629 000001 4837-4834-6287 3

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of \$6,640,000 or 29.02% of the actual total Project costs; and provided further, that Incremental Taxes shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose to the extent that the amount of the Incremental Taxes deposited into the TIF Fund shall be sufficient to pay for such costs; and provided further, that the City Funds shall be reduced by \$250,000 if Developer does not comply with the Chicago Sustainable Development Policy as required in Section 8.22 hereof. Developer acknowledges and agrees that the payment of City Funds is subordinated to the payment of those prior obligations made prior to the Closing Date, as set forth herein in Exhibit P. Any obligations made by the City after the Closing Date shall be subordinated to the payment of the City Funds.

Developer acknowledges and agrees that the City's obligation to loan City Funds to pay for TIF-Funded Improvements is contingent upon the fulfillment of the conditions set forth above. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by Developer pursuant to Section 4.01 hereof shall increase proportionately.

4 Construction Escrow; Requisition Form.

a) The City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement.

b) Requisition for reimbursement of TIF-Funded Improvements shall be made by Developer in connection with Developer's request for issuance of the Certificate. Developer shall provide DPD with a Requisition Form, along with the documentation described therein.

5 Treatment of Prior Expenditures and Subsequent Disbursements.

a) Prior Expenditures. Only those expenditures made by Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). DPD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit H hereto sets forth the prior expenditures approved by DPD as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by Developer pursuant to Section 4.01 hereof.

b) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed \$25,000 or \$100,000 in the aggregate, may be made without the prior written consent of DPD.

6 Cost Overruns. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to Section 4.03 hereof, or if the cost of completing the Project exceeds the Project Budget, Developer shall be solely responsible for such excess cost, and

116629 000001 4837-4834-6287 3

shall hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and of completing the Project.

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

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

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

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

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

e) Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Project Property except for the Permitted Liens;

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

g) the Project is In Balance. The Project shall be deemed to be in balance ("In Balance") only if the total of the available Project funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. "Available Project Funds" as used herein shall mean: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts deposited by Developer pursuant to this Agreement. Developer hereby agrees that, if the Project is not In Balance, Developer shall, within 10 days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

The City shall have the right, in its discretion, to require Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by Developer.

8 Conditional Loan of City Funds.

19

116629 000001 4837-4834-6287 3

(a) The City Funds being provided hereunder are being loaned to Developer subject to the Developer's compliance with the provisions of this Agreement (the "Loan"). As a condition of the Certificate and receipt of the Loan, Developer shall execute and deliver the Developer Note in the original principal amount of the City Funds that Developer requests in the Requisition Form, together with the Recapture Mortgage. The Loan shall bear interest at the rate of 0.5% per annum, and the Developer shall make annual interest only payments except as outlined in Section 4.08(b) below.

(b) The City shall forgive that portion of the Principal amount of the Loan, plus accrued and unpaid interest, as set forth below, provided Developer-submits an Annual Compliance Report evidencing that all ongoing requirements of this Agreement have been satisfied during the preceding year:

Date of Annual Loan Compliance Forgiveness
Report Schedule

2022	N/A
2023	N/A
2024	N/A
2025	\$1,000,000 of the outstanding Principal plus accrued interest
2026	\$1,000,000 of the outstanding Principal plus accrued interest
2027	\$928,000 of the outstanding Principal plus accrued interest
2028	\$928,000 of the outstanding Principal plus accrued interest
2029	\$928,000 of the outstanding Principal plus accrued interest
2030	\$928,000 of the outstanding Principal plus accrued interest
2031	\$928,000 of the outstanding Principal plus accrued interest

(c) To the extent an Annual Compliance Report shows reports an uncured Event of Default (other than noncompliance with Section 8.23 (Minimum Occupancy Covenant), no forgiveness of Principal or interest shall occur for the applicable year unless and until the Developer has

cured any defaults for which it has received notice. To the extent that an Annual Compliance Report shows noncompliance with Section 8.23 (Minimum Occupancy Covenant), no forgiveness of Principal or interest shall occur for that year, but such noncompliance may be corrected in the following year in accordance with Section 15.03(a). In the event that the Developer corrects such non-compliance and the Compliance Period is thereby extended, then the City shall forgive Principal and interest due for the non-compliant year(s) as of the first year (or, as applicable, the second year) of the extended Compliance Period.

(d) Developer shall notify the City of any changes in the ownership interests of Developer. Any new equity investor (i.e., other than an equity investor at the time of the commencement of Clawback Period) that will acquire 7.5% or more of the Developer will be subject to the City's prior written approval which approval shall not unreasonably be withheld, conditioned or delayed. Failure to provide such notice or receive such approval shall be an Event of Default. After the expiration of the Clawback Period, all changes in ownership interest must take effect (i) on or after the first business day in January and (ii) on or before the first business day in April in each calendar year (or portion thereof) during Compliance Period; provided that DPD may consent to one or more changes in ownership after the first business day in April which consent shall be in its sole discretion.

116629 000001 4837-4834-6287 3

(e) If a Capital Event occurs, Developer agrees to pay and remit to the City an amount equal to the outstanding Principal balance of the Loan. There shall be no applicable cure period for Capital Events. The City shall have the right to immediately accelerate payment of the Loan, including all accrued and unpaid interest.

SECTION 5. CONDITIONS PRECEDENT

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

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

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

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

4 Financing. Developer has furnished proof reasonably acceptable to the City that Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by Developer as needed and are sufficient (along with the Equity set forth in Section 4.01) to complete the Project. Developer has delivered to DPD a copy of the construction escrow agreement entered into by Developer regarding the Lender Financing. Any liens against the Project Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of Developer, with the Office of the Recorder of Deeds of Cook County.

5 Acquisition and Title. On the Closing Date, Developer has furnished the City with a copy of the Title Policy for the Project Property, certified by the Title Company, showing Developer as the named insured. The Title Policy

is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit E hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. Developer has provided to DPD, on or prior to the Closing Date, documentation related to the purchase of the Project Property and certified copies of all easements and encumbrances of record with respect to the Project Property not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

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

21

116629 000001 4837-4834-6287 3

Jurisdiction

Secretary of State
Cook County Recorder

U.S. District Court
Clerk of Circuit Court, Cook
County

Searches

UCC, Federal tax
UCC, Fixtures, Federal tax, State tax, Memoranda of
judgments
Pending suits and judgments
Pending suits and judgments

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

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

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

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

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

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

13 Environmental. Developer has provided DPD with copies of that certain phase I environmental audit completed with respect to the Project Property and any phase II environmental audit with respect to the Project Property required by the City. Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

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

116629 000001 4837-4834-6287 3

require; Developer's Operating Agreement; and such other organizational documentation as the City has requested.

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

5.15 Litigation. Developer has provided to Corporation Counsel and DPD, a description of all pending or threatened litigation or administrative proceedings involving Developer, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors.

a) Except as set forth in Section 6.01(b) below, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City of Chicago, and shall submit all bids received to DPD for its inspection. For the TIF-Funded Improvements, Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. Developer shall submit copies of the Construction Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

b) If, prior to entering into an agreement with a General Contractor for construction of the Project, Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed 3.5% of the total amount of the Construction Contract. Except as explicitly stated in this paragraph, all other provisions of Section 6.01 (a) shall apply, including but

23

116629 000001 4837-4834-6287 3

not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors.

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

3 Performance and Payment Bonds. Prior to the commencement of any portion of the Project which includes work on the public way, Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as Exhibit M hereto. The City shall be named as obligee or co-obligee on any such bonds.

4 Employment Opportunity. Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof.

5 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 10.03 (MBE/WBE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation.

a) Upon completion of the rehabilitation of the Project in accordance with the terms of this Agreement, and upon Developer's written request, DPD shall issue to Developer a Certificate in recordable form certifying that Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. DPD shall respond to Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by Developer in order to obtain the Certificate. Developer may resubmit a written request for a Certificate upon completion of such measures.

b) The Certificate will not be issued until the following requirements have been met:

- (i) The City's Monitoring and Compliance unit has determined in writing that the Developer is in complete compliance with all City requirements (M/WBE, City residency and prevailing wage) as required in this Agreement;

116629 000001 4837-4834-6287 3

- ii) The City has received evidence acceptable to DPD that the total Project cost is equal to, or in excess of, \$22,876,893, subject to any cost savings achieved by Developer and reported to DPD;
- iii) The Theater, the Restaurant and the Brewery are leased, occupied and open for business;
- iv) The Developer's submission of evidence of compliance with all requirements of the City of Chicago's Sustainable Development Policy as it pertains to the Project (see Section 8.24);
- v) The Developer has received a Certificate of Occupancy from the City or other evidence reasonably acceptable to DPD that the Developer has complied with building permit requirements;
- vi) The Developer's submission of an acceptable Preliminary Summary of Information regarding the historic characteristics of the building, as required under Section 8.25;
- vii) Developer has incurred costs for TIF-Funded Improvements or such amounts are included in the Project Budget in an amount equal to or higher than \$6,640,000; and
- viii) The Developer has delivered to the City an executed Requisition Form, Developer Note and Recapture Mortgage.

2 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the rehabilitation of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 8.02, 8.06, 8.19 and 8.22 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Project Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon Developer or a permitted assignee of Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer's liabilities hereunder.

3 Failure to Complete. If Developer fails to complete the Project in accordance with the terms of

this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

116629 000001 4837-4834-6287 3

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

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

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

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER.

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

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

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

c) the execution, delivery and performance by Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its Articles of Organization or Operating Agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which Developer is now a party or by which Developer is now or may become bound;

d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Project Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that Developer is contesting in good faith pursuant to Section 8.15 hereof).

e) Developer is now and for the Term of the Agreement shall remain solvent and able to pay its debts as they mature in the normal course of business;

f) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting Developer which would impair its ability to perform under this Agreement;

g) Developer shall, as and when required by law, maintain all government permits, certificates and consents (including, without limitation, appropriate environmental

116629 000001 4837-4834-6287 3

approvals) necessary to conduct its business and to construct, complete and operate the Project;

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

(i) the Financial Statements are, and when hereafter required to be submitted will be, complete, correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of Developer, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of Developer since the date of Developer's most recent Financial Statements;

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

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

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

(m) neither Developer nor any affiliate of Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "Elaffiliate,"

when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or

116629 000001 4837-4834-6287 3

entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

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

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

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

(q) Developer agrees that during the Term of the Agreement, Tyler Nevius shall maintain operational control of the Developer provided that in the event of Tyler Nevius' death or permanent disability, Developer shall have 120 days to identify a suitable replacement subject to the City's approval; and

(r) Developer understands it may not sell, assign, pledge or otherwise transfer its interest in this Agreement or City Funds in whole or in part except in accordance with the terms of Section 18.14 of this Agreement, and, to the fullest extent permitted by law, agrees to indemnify the City for any losses, claims, damages or expenses relating to or based upon any sale, assignment, pledge or transfer of City Funds in violation of this Agreement.

2 **Covenant to Redevelop.** Upon DPD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03 hereof, and Developer's receipt of all required building permits and governmental approvals, Developer shall, redevelop the Project Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Project Property and/or Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

3 **Redevelopment Plan.** Developer represents that the Project is and shall be in compliance with

all of the terms of the Redevelopment Plan, which is hereby incorporated by reference into this Agreement.

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

116629 000001 4837-4834-6287 3

5 Other Bonds. Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements (the "Bonds"); provided, however, that any such amendments shall not have a material adverse effect on Developer or the Project. Developer shall, at Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

6 Job Creation and Retention. Developer shall use good faith efforts (but is not obligated) to retain 80 full-time equivalent, permanent jobs at the Project during the Compliance Period, and approximately 110 additional temporary construction-related positions. Developer will provide employment information in its Annual Compliance Report detailing the following information for each employee: employee status as full-time or part-time, ZIP code (to the extent permitted by law) for employee's primary residency, total employment tenure in months, wages above or below the "Living Wage" rate as defined for that year.

7 Employment Opportunity. Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof.

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

9 Prevailing Wage. Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, Developer shall provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 8.09.

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

11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or

committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or Developer with respect thereto, owns or controls, has owned or controlled or will own or control

116629 000001 4837-4834-6287 3

any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer's business, the Project Property or any other property in the Redevelopment Area.

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

13 Financial Statements. Developer shall obtain and provide to DPD Financial Statements for Developer's fiscal year ended 2018 (or earliest year available) and each year thereafter for the Term of the Agreement. In addition, Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

15 Non-Governmental Charges.

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

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

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

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

16 Developer's Liabilities. Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any

30

116629 000001 4837-4834-6287 3

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

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

18 Recording and Filing. Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Project Property on the date hereof in the conveyance and real property records of the county in which the Project is located. Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

19 Real Estate Provisions.

(a) Governmental Charges.

- i) Payment of Governmental Charges. Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Developer, the Project Property or the Project, or become due and payable, and which create or may create a lien upon Developer or all or any portion of the Project Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to Developer, the Project Property or the Project including but not limited to real estate taxes.
- ii) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Project Property. Developer's right to challenge real estate taxes applicable to the Project Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior

written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

- (A) Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by Developer contesting or objecting to a Governmental Charge

116629 000001 4837-4834-6287 3

shall conclusively operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Project Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

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

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

- c) Real Estate Taxes.

- i) Intentionally Omitted.

- ii) Real Estate Tax Exemption. With respect to the Project Property or the Project, neither Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to Developer shall, during the Term of this Agreement, seek, or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect.

- iii) Intentionally Omitted.

- iv) Intentionally Omitted.

- v) Covenants Running with the Land. The parties agree that the restriction contained in this Section -8.19(c) is a covenant running with the land and this Agreement shall be recorded by Developer as a memorandum thereof, at Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. The restriction shall be binding upon Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenant shall be released when the Redevelopment Area is no longer in effect. Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Project Property

116629 000001 4837-4834-6287 3

or Redevelopment Area from and after the date until the expiration of the Redevelopment Project Area shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this Section 8.19(c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of Developer, its successors or assigns, may waive and terminate Developer's covenant and agreement set forth in this Section 8.19(c).1

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

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

22 Operations Covenant. Once constructed, Developer hereby covenants and agrees to continuously operate the Project as defined herein for the Term of the Agreement.

23 Minimum Occupancy Covenant.

a) Developer shall use good faith efforts to maintain an average of at least two performances per week in the Theater during the first partial calendar year and first full calendar year of the Compliance Period, and shall be obligated to maintain an average of at least 2 performances per week in the Theater every calendar year thereafter, including the last partial calendar year, during the Compliance Period; provided, however, that so long as Developer has maintained an average of 1.8 performances (i.e., 90%) per week during the second full calendar year of the Compliance period, Developer shall be deemed in compliance with this Section 8.23 for such year only.

b) Developer shall maintain 100% occupancy of the Restaurant and Brewery for the duration of the Compliance Period, with the exception of recognized holidays or other closures in the normal course of business.

24 Sustainability. Developer will comply with all requirements of the City of Chicago's Sustainable Development Policy (a copy of which the Developer acknowledges having received from the City) as it pertains to the Project.

25 Landmark Designation.

(a) Prior to issuance of the Certificate, the Developer shall deliver to DPD a Preliminary Summary of Information, in a form acceptable to DPD's Historic Preservation Division, for the purpose of the landmark designation of the Ramova Theater.

(b) The Developer covenants and agrees that it will consent to the designation of the Ramova Theater building as a City of Chicago Landmark after the issuance of the Certificate.

8.26 FOIA and Local Records Act Compliance.

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

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

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

8.27 Continuing Information Agreement. The Developer covenants and agrees as follows:

(a) For each tax collection year following the date the Certificate is issued pursuant to Section 7.01 hereof and for each year that the Redevelopment Project Area remains in effect, the Developer shall engage a recognized financial consultant to prepare an annual continuing information report (the "Consultant's Report") that sets forth as of its date the following information:

- i) a description of the Redevelopment Area, including all redevelopment agreements relating to the Redevelopment Area;
- ii) a description of the Project;
- iii) a status update of the Project, including information on construction, occupancy, leasing or sales, as applicable; and

- (iv) a listing of the top ten taxpayers in the Redevelopment Area; and

b) The Consultant's Report shall be signed by the consultant and available to the Developer no later

than February 1 following each tax collection year. If the Developer fails to obtain the Consultant's report by the date required, DPD may engage its own financial consultant to prepare the report and the cost thereof shall be reimbursed to the City from monies available in the TIF Fund.

c) Each Consultant's Report shall include in a prominent place the following disclaimer:

"The City's Office of Budget and Management ("OBM") produces five year District Projection Reports for each TIF district in the City for the purpose of evaluating resources and project balances. This information is used by the OBM to determine how much funding has been committed and how much funding is available for potential projects. The reports and the projections including therein are not audited and do not represent a final accounting of funds. The reports are not prepared for investors or as a basis for making investment decisions with respect to any notes, bonds or other debt obligations of the City that are payable from available incremental taxes. Investors in such obligations are cautioned not to rely on any of the information contained in the District Projection Reports."

d) If any Consultant's Report contains projections, the consultant shall consider the publicly available TIF-wide projections from the OBM and provide an explanation as to the discrepancy, if any, between the consultant's projections and those of OBM. In addition, the consultant shall state in the Consultants Report all assumptions used in formulating the projections.

8.28 Survival of Covenants. All warranties, representations, covenants and agreements of Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in Section 7 hereof upon the issuance of a Certificate) shall be in effect throughout the Term of the Agreement.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

1 General Covenants. The City represents that it has the authority as a home rule unit of local government to execute and deliver this Agreement and to perform its obligations hereunder.

2 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 9 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of Developer operating on the Project Property (collectively, with

116629 000001 4837-4834-6287 3

Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Project Property:

a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human

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

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

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

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

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

36

116629 000001 4837-1834-6287 3

(f) Failure to comply with the employment obligations described in this Section 10.01 shall be a basis for the City to pursue remedies under the provisions of Section 15.02 hereof.

10.02 City Resident Construction Worker Employment Requirement. Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both

unskilled and skilled labor positions.

Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

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

Developer, the General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

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

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

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

Good faith efforts on the part of Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker, hours performed by actual Chicago residents.

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

that may become due to Developer pursuant to Section 2-92-250 of the Municipal Code may be withheld by the City pending the Chief Procurement Officer's determination as to whether Developer must surrender damages as provided in this paragraph.

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

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

10.03 MBE/WBE Commitment. Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the General Contractor to agree that during the Project:

a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit G-2 hereto) shall be expended for contract participation by MBEs and by WBEs:

- 1) At least 26 percent by MBEs.
- 2) At least six percent by WBEs.

b) For purposes of this Section 10.03 only, Developer (and any party to whom a contract is let by Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code, as applicable.

116629.000001 4837-4834-6287 3

c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code, Developer's MBE/WBE commitment may be achieved in part by Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to Developer's MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code, Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

d) Developer shall deliver quarterly reports to the City's monitoring staff during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining Developer's compliance with this MBE/WBE commitment. Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by Developer, on five Business Days' notice, to allow the City to review Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

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

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

g) Prior to the commencement of the Project, Developer shall be required to meet with the City's monitoring staff with regard to Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, Developer shall submit the documentation

required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to Developer to halt the Project, (2) withhold any further payment of any City Funds to Developer or the General Contractor, or (3) seek any other remedies against Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

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

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

SECTION 12. INSURANCE

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

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

(i) Workers Compensation and Employers Liability

116629 000001 4837-4834-6287 3

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

ii) Commercial General Liability (Primary and Umbrella)

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

iii) All Risk Property

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

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

i) Workers Compensation and Employers Liability

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

ii) Commercial General Liability (Primary and Umbrella)

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

iii) Automobile Liability (Primary and Umbrella)

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

iv) Railroad Protective Liability

116629 000001 4837-4834-6287 3

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

v) All Risk /Builders Risk

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

vi) Professional Liability

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

vii) Valuable Papers

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

viii) Contractors Pollution Liability

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

(c) Post Construction:

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

42

116629 000001 4837-4834-6287 3

(d) Other Requirements:

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

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

Any deductibles or self-insured retentions on referenced insurance coverages must be borne by Developer and Contractors.

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

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

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

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

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

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

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

43

116629 000001 4837-4834-6287 3

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

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Developer agrees to indemnify, pay, defend and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an "Indemnitee," and collectively the "Indemnites") harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (and including without limitation, the reasonable fees and disbursements of counsel for such Indemnites in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnites shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnites in any manner relating or arising out of:

- i) Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement, including, but not limited to, Section 8.27; or
- ii) Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or
- iii) the existence of any material misrepresentation or omission in this Agreement, any official statement, limited offering memorandum or private placement memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of Developer or any Affiliate of Developer; or

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

provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at Developer's expense. Developer shall incorporate this

116629 000001 1837-4834-6287 3

right to inspect, copy, audit and examine all books and records into all contracts entered into by Developer with respect to the Project.

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

SECTION 15. DEFAULT AND REMEDIES

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

- a) the failure of Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under this Agreement or any related agreement;
- b) the failure of Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under any other agreement with any person or entity if such failure may have a material adverse effect on Developer's business, property, assets, operations or condition, financial or otherwise;
- c) the making or furnishing by Developer to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;
- d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary)

of, or any attempt to create, any lien or other encumbrance upon the Project Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;

e) the commencement of any proceedings in bankruptcy by or against Developer or for the liquidation or reorganization of Developer, or alleging that Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

116629 000001 4837-4834-6287 3

g) the entry of any judgment or order against Developer which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

h) the occurrence of an event of default under the Lender Financing, which default is not cured within any applicable cure period;

(i) the dissolution of Developer;

(j) the death or permanent disability of the Sponsor;

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

(l) prior to the expiration of the Term of the Agreement, the occurrence of a Capital Event; or

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

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

15.02 Remedies. Upon the occurrence of an Event of Default other than a breach of the Minimum Occupancy Covenant, Operations Covenant or a Capital Event, the City may terminate this Agreement and any other agreements to

which the City and Developer are or shall be parties, suspend disbursement of City Funds, place a lien on the Project in the amount of City Funds paid, and/or accelerate the Loan as set forth in this Section 15.02 below. 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 damages, injunctive relief or the specific performance of the agreements contained herein. Upon the occurrence of an Event of Default under Section 15.01 (j), the Developer shall have the remedy set forth in Section 8.01(g).

Upon the occurrence of an Event of Default because of failure to comply with Section 8.24, Sustainability, the City's sole remedy shall be the right to seek reimbursement of \$250,000 in City Funds through acceleration of the Loan. Notwithstanding the foregoing, if the City Funds paid upon Certificate issuance were reduced by \$250,000 due to anticipated failure to achieve Sustainability Certification as described in Section 4.03(b), then the City shall not have the right to seek reimbursement of an additional \$250,000 by accelerating the Loan pursuant to the immediately preceding sentence.

Upon the occurrence of an Event of Default for a breach of the Minimum Occupancy Covenant, Operations Covenant or a Capital Event, Developer shall pay and remit to the City an amount

46

116629 000001 4837-4834-6287 3

equal to the outstanding Principal balance of the Loan plus accrued interest immediately upon demand from the City. In addition, 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 damages, injunctive relief or the specific performance of the agreements contained herein

15.03 Curative Period.

a) With respect to an Event of Default under Section 8.22 (Operations Covenant) and Section 8.23 (Minimum Occupancy Covenant) hereof, Developer shall be entitled to two non-consecutive one-year cure periods (each an "Occupancy Cure Period") during the Compliance Period. During each Occupancy Cure Period, no forgiveness of the Loan shall occur, and the Compliance Period shall be extended an additional year for each Occupancy Cure Period that Developer elects provided that Developer meets the requirements of Section 8.22 (Operations Covenant) and Section 8.23 (Minimum Occupancy Covenant) in the calendar year following the calendar year of noncompliance. So long as the Developer cures the Operations Covenant and Minimum Occupancy Covenant default during the Occupancy Cure Period, the City shall forgive the portion of the Loan that would have been forgiven in such year but for the default; provided, however, that the City shall not be obligated to forgive that portion of the Loan for the calendar year of noncompliance until the first additional calendar year or second additional calendar year, as applicable. Any subsequent default under Section 8.23 shall constitute an Event of Default without notice or opportunity to cure.

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

c) In the event Developer shall fail to perform a non-monetary covenant which Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary and except as set forth above in Section 15.03(a), an Event of Default shall not be deemed to have occurred unless Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not

capable of being cured within such thirty (30) day period, Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured; and provided, further, that there shall be no cure period under this Section 15.03 with respect to the occurrence of a Capital Event.

SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Project Property or any portion thereof are listed on Exhibit E hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "Existing Mortgages." Any mortgage or deed of trust that Developer may hereafter elect to execute and record or permit to be recorded against the Project Property

116629 000001 4837-4834-6287 3

or any portion thereof is referred to herein as a "New Mortgage." Any New Mortgage that Developer may hereafter elect to execute and record or permit to be recorded against the Project Property or any portion thereof with the prior written consent of the City is referred to herein as a "Permitted Mortgage." It is hereby agreed by and between the City and Developer as follows:

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

(b) In the event that any mortgagee shall succeed to Developer's interest in the Project Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of Developer which accrued prior to the time such party succeeded to the interest of Developer under this Agreement, in which case Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to Developer of a Certificate pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Project Property or any portion

thereof without the prior written consent of the Commissioner of DPD.

SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

If to the City:

City of Chicago
Department of Planning and Development
121 North LaSalle Street, Room 1000

If to Developer:

Our Revival Chicago, LLC
c/o Our Revival, LLC
457 Clinton Ave, Unit 1A

116629 000001 4837-4834-6287 3

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

Brooklyn, New York 11238 Attention: Tyler Nevius
With Copies To: Dykema Gossett PLLC 10 S. Wacker
Drive, Suite 2300 Chicago, Illinois 60606 Attention:
Andrew Scott, Esq.

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

1 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement the Redevelopment Plan without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than one hundred eighty (180) days.

2 Entire Agreement. This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

3 Limitation of Liability. No member, official or employee of the City shall be personally liable

to Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

4 Further Assurances. Developer agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

116629 000001 4837-4834-6287 3

5 Waiver. Waiver by the City or Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or Developer in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any such parties' rights or of any obligations of any other party hereto as to any future transactions.

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

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

8 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

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

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

11 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles.

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

13 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD or the Commissioner, or any matter is to be to the City's, DPD's or the Commissioner's satisfaction, unless

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

14 Assignment. Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City; provided, however, the

Developer shall be permitted to assign and pledge its interest in this Agreement to a lender providing Lender Financing and/or to the holder of a New Mortgage in accordance with Section 16. Any successor in interest to Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 Real Estate Provisions and 8.28 (Survival of Covenants) hereof, for the Term of the Agreement; provided, however, that the provisions of Section 16 shall govern the obligations of a holder of a New Mortgage in the event such holder is the successor in interest to Developer. Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

15 Binding Effect. This Agreement shall be binding upon Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of Developer, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

16 Force Majeure. Neither the City nor Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

17 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if Developer is required to provide notice under the WARN Act, Developer shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where Developer has locations in the State. Failure by Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

18 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

19 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses, including attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject to any limits under applicable law, attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and

116629 000001 4837-4834-6287 3

any anticipated post-judgment collection services Developer also will pay any court costs, in addition to all other sums provided by law.

18.20 Business Relationships. Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a business relationship that creates a "Financial Interest" (as defined in Section 2-156-010 of the Municipal Code)(a "Financial Interest"), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a business relationship that creates a Financial Interest, or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a business relationship that creates a Financial Interest, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

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

52

116629 000001 4837-4834-6287 3

IN WITNESS WHEREOF, the parties hereto have caused this Ramova Theater Redevelopment Agreement to be executed on or as of the day and year first above written.

OUR REVIVAL CHICAGO, LLC, a Delaware limited liability company

By: Our Revival, LLC, a Delaware limited liability company, its sole member and manager

By: _____ :
Tyler Nevius, Its sole member and manager

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

By: _____
Maurice D. Cox, Commissioner

53

116629 000001 4837-4834-6287 3

STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Tyler Nevius, personally known to me to be the manager of Our Revival, LLC, a Delaware limited liability company (the "Manager") and manager of Our Revival Chicago, LLC, a Delaware limited liability company (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Manager, as his/her free and voluntary act and as the free and voluntary act of Developer, for the uses and purposes therein set forth.

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

Notary Public

My Commission Expires _____

(SEAL)

54

116629 000001 4837-4831-6287 3

STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Maurice D. Cox, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument pursuant to the authority given to him/her by the City, as his/her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

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

Notary Public

My Commission Expires.

(SEAL)

55

116629 000001 4837-4834-6287 3

EXHIBIT A REDEVELOPMENT AREA [Not attached for ordinance]

116629 000001 4837-4834-6287 3

EXHIBIT B-1 DISPOSITION PARCELS

[subject to final title and survey]

PARCEL I.

THAT PART OF LOTS 4 TO 8 IN BLOCK 1 IN GAGE AND OTHERS SUBDIVISION OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF LOT 4; THENCE EAST AT RIGHT ANGLES THERETO 95.09 FEET; THENCE SOUTH AT RIGHT ANGLES THERETO 98.69 FEET; THENCE EAST AT RIGHT ANGLES THERETO 54.91 FEET TO A POINT ON THE EAST LINE OF LOT 7 AFORESAID 32.38 FEET NORTH OF THE SOUTHEAST CORNER OF LOT 8 AFORESAID; THENCE SOUTH ALONG THE EAST LINE OF LOTS 7 AND 8 AFORESAID 32.38 FEET TO THE SOUTHEAST CORNER OF LOT 8; THENCE WEST ALONG THE SOUTH LINE OF LOT 8 AFORESAID TO THE SOUTHWEST CORNER THEREOF; THENCE NORTH ALONG THE WEST LINE OF LOTS 4 TO 8 AFORESAID TO THE NORTHWEST CORNER OF LOT 4, IN COOK COUNTY, ILLINOIS.

Permanent Index Number: 17-32-404-026-0000

Common address: 3518 South Halsted Street, Chicago, Illinois

PARCEL II:

LOT 9 IN BLOCK 1 IN SUBDIVISION BY GEORGE W. GAGE AND OTHERS SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD

PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index Number: 17-32-404-019-0000

Common address: 3520 South Halsted Street, Chicago, Illinois

57

116629 000001 4837-4834-6287.3

EXHIBIT B-2

DEVELOPER PROPERTY 3506 South

Halsted Street Legal Description

PARCEL 1:

LOT 3 IN BLOCK 1 IN GAGE AND OTHERS SUBDIVISION OF THE EAST V_2 OF THE SOUTH EAST $1/4$ OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THAT PART OF LOTS 4, 5, 6, AND 7 IN BLOCK 1 IN GAGE AND OTHERS SUBDIVISION OF THE EAST 7_2 OF THE SOUTH EAST 7_4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF LOT 4 AFORESAID; THENCE EAST ALONG THE NORTH LINE OF LOT 4, 95.09 FEET TO THE POINT OF BEGINNING; THENCE SOUTH ALONG A LINE AT RIGHT ANGLES TO SAID NORTH LINE OF LOT 4, TO SAID LINE'S INTERSECTION WITH A LINE 50.08 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF LOT 8, IN GAGE AND OTHERS SUBDIVISION AFORESAID; THENCE EAST AT RIGHT ANGLES THERETO 12.97 FEET THENCE NORTH AT RIGHT ANGLES THERETO TO THE NORTH LINE OF LOT 4; THENCE WEST ALONG SAID NORTH LINE OF LOT 4 TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

17-32-404-027-0000

3508-3516 South Halsted Street Legal Description

PARCEL 1: THAT PART OF LOTS 3 TO 7 INCLUSIVE IN BLOCK 1 IN GAGE AND OTHERS SUBDIVISION OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF LOT 3 AFORESAID; THENCE SOUTH ALONG THE WEST LINE OF LOTS 3 AND 4 AFORESAID 26.19 FEET; THENCE EAST AT RIGHT ANGLES THERETO 32.44 FEET; THENCE NORTH AT RIGHT ANGLES THERETO 4.97 FEET; THENCE EAST AT RIGHT ANGLES THERETO 23.0 FEET; THENCE SOUTH AT RIGHT ANGLES THERETO 5.67 FEET; THENCE EAST AT RIGHT ANGLES THERETO 12.20 FEET; THENCE NORTH AT RIGHT ANGLES THERETO 1.60 FEET; THENCE EAST AT RIGHT ANGLES THERETO 27.45 FEET; THENCE SOUTH AT RIGHT ANGLES THERETO 98.69 FEET; THENCE EAST AT RIGHT ANGLES THERETO 54.9T FEET TO A POIN T ON THE EAST LINE OF LOT 7 AFORESAID 32.38 FEET NORTH OF THE SOUTHEAST CORNER OF LOT 8 AFORESAID AND THE POINT OF BEGINNING: THENCE WEST AT RIGHT ANGLES

58

116629 000001 4837-4834-6287 3

THERETO 54.91 FEET; THENCE NORTH AT RIGHT ANGLES THERETO 17.70 FEET; THENCE EAST AT RIGH T ANGLES THERETO 12.97 FEET; THENCE NORTH AT RIGHT ANGLES THERETO 80.15 FEET; THENCE EAST AT RIGH T ANGLES THERETO 41.94 FEET TO A POINT ON THE EAST LINE OF SAID LO TS 26.25 FEET SOUTH OF THE NORTHEAST CORNER OF LOT 3 AFORESAID: THENCE SOUTH ALONG SAID EAST LINE 97.85 FEET TO THE POINT OF BEGINNING IN COOK COUNTY, ILLINOIS

PARCEL 2: EASEMENT FOR INGRESS AND EGRESS OVER THAT PART OF LOTS 3 TO 8 FNCLUSIVE IN BLOCK 1 IN GAGE AND O THERS SUBDIVISION OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 3 AFORESAID: THENCE SOUTH ALONG THE WEST LINE OF LOTS 3 AND 4 AFORESAID 26.19 FEET; THENCE EAS T AT RIGHT ANGLES THERETO 32.44 FEET; THENCE NORTH AT RIGHT ANGLES THERETO 4.97 FEET; THENCE EAST AT RIGHT ANGLES THERETO 23.0 FEET; THENCE SOUTH AT RIGHT ANGLES THERETO 5.67 FEET; 'THENCE EAST AT RIGHT ANGLES THERETO 12.20 FEET; THENCE NORTH AT RIGHT ANGLES THERETO 1.60 FEET; THENCE EAST AT RIGHT ANGLES THERETO ALONG A LINE HEREINAFTER REFERRED TO AS LINE "A" 27.45 FEET; THENCE SOUTH AT RIGHT ANGLES THERETO 80.99 FEET; THENCE EAST AT RIGHT ANGLES THERETO 12.97 FEET; THENCE NORTH AT RIGHT ANGLES THERETO 86.89 FEET: THENCE NORTHWESTERLY 10.40 FEET TO A LINE 13.10 FEET NORTH OF AND PARALLEL WITH LINE "A" AFORESAID; THENCE WEST ALONG. SAID PARALLEL LINE 35.56 FEET; THENCE NORTH AT RIGHT ANGLES THERETO 5.85 FEET; THENCE WEST AT RIGHT ANGLES THERETO 11.0 FEET; THENCE NORTH AT RIGHT ANGLES THERETO 6.40 FEET TO A POINT IN THE NORTH LINE OF LOT 3 AFORESAID 53.69 FEET EAST OF THE POINT OF BEGINNING; THENCE WEST ALONG SAID NORTH LINE 53.69 FEET TO THE POINT OF BEGINNING (EXCEPT THAT PART

LYING ABOVE A HORIZONTAL PLANE THAT IS 8.0 FEET ABOVE THE CONCRETE COURTYARD PAVEMENT) IN COOK COUNTY, ILLINOIS, AS CREATED BY A DEED FROM RAMOVA REALTY, INC. TO DROVERS BANK OF CHICAGO, AS TRUSTEE UNDER TRUST AGREEMENT DATED MARCH 27, 1984 AND KNOWN AS TRUST 'NUMBER 84-037, RECORDED JULY 3, 1984 AS DOCUMENT 27156996, AND RE-RECORDED DECEMBER 9, 1985 AS DOCUMENT 85315963, AND EASEMENT AGREEMENT RECORDED JULY 3, 1984 AS DOCUMENT 27156995 AND RE-RECORDED DECEMBER 9, 1985 AS DOCUMENT 85375962, FOR INGRESS AND EGRESS, IN COOK COUNTY, ILLINOIS.

P.I.N. 17-32-404-025-0000

116629 000001 4837-4834-6287 3

3531-3547 South Halsted Street Legal Description

LOTS 27, 30, 31, 34, 35, 38 AND 39 IN BLOCK 4 IN HAMBURG, BEING SAMUEL GEHR'S SUBDIVISION OF BLOCKS 23 AND 24 IN CANAL TRUSTEES' SUBDIVISION OF SECTION 33, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.



PINS:	17-33-300-013-0000	17-33-300-014-0000
17-33-300-015-0000		17-33-300-
016-0000	17-33-300-017-0000	17
-33-300-018-0000		17-33-300-019
-0000		

116629 000001 4837-4834-6287 3

EXHIBIT C TIF-FUNDED

IMPROVEMENTS

	Project Budget	TIF - Eligible Budget
Acquisition	\$ 4,050,001	\$ 3,414,001
Hard Costs		
Site	\$ 1,370,075	\$ 773,370
Substructure	\$ 202,889	\$ 202,889
Structure	\$ 1,332,709	\$ 728,193
Exterior Enclosure	\$ 1,821,105	\$ 1,536,605
Finishes	\$ 1,923,928	\$ 1,170,215
Equipment & Pools	\$ 120,000	\$ -
Vertical transportation	\$ 165,000	\$ 165,000
MEPs	\$ 3,665,749	\$ 3,545,749
General conditions, insurance fees	\$ 2,753,154	\$ 1,361,683
Brewery FFE	\$ 1035,450	\$ -
Lighting/Sound FFE	\$ 970,000	\$ --
Other FF&E	\$ 470,516	\$ -
Hard Cost Contingency	\$ 821,049	\$ 474,185
Total Hard Costs	\$ 16,651,623	\$ 9,957,889
Soft Costs/Fees		
Architect	\$ 850,000	\$ 508,311
Environmental	\$ 8,000	\$ 8,000
Legal (Zoning, Finance, Permitting)	\$ 180,000	\$ 107,642
Financing Costs (Equity/Debt)	\$ 100,000	\$ 30,000
Due Diligence Costs	\$ 35,000	\$ --

Appraisal	\$ 8,000	\$		
Closing Costs	\$ 25,000	\$	-	
Licenses, Food, Liquor, etc.	\$ 10,000	\$	-	
Property Taxes	\$ 59,269	\$	-	
Contingency	\$ 100,000	\$	59,801	
Opening Cost Allowance	\$ 750,000	\$	--	
Const. Insurance	\$ 50,000	\$	29,901	
Total Soft Costs	\$ 2,175,269	\$	743,655	
Total	\$ 22,876,893	\$	14,115,545	

'Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in Section 4.03 and shall not exceed the lesser of \$6,640,000 or 29.02% of the Project Budget.

116629 000001 4837-4834-6287 3

EXHIBIT D CONSTRUCTION CONTRACT [Not attached for ordinance]

116629 000001 4837-4834-6287 3

EXHIBIT E

PERMITTED LIENS

1. Liens or encumbrances against the Project Property:

Those matters set forth as Schedule B' title exceptions in the owner's title insurance policy issued by the Title Company as of the date hereof, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.

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

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

116629 000001 4837-4834-6287 3

EXHIBIT F ESCROW AGREEMENT [Not attached for ordinance]

116629 000001 4837-4834-6287 3

**EXHIBIT G-1 PROJECT
BUDGET**

	Project Budget
Acquisition	\$ 4,050,001
Hard Costs	
Site	\$ 1,370,075
Substructure	\$ 202,889
Structure	\$ 1,332,709
Exterior Enclosure	\$ 1,821,105
Finishes	\$ 1,923,928
Equipment & Pools	\$ 120,000
Vertical transportation	\$ 165,000
MEPs	\$ 3,665,749
Brewery FFE	\$ 1,035,450
Lighting/Sound FFE	\$ 970,000
Other FF&E	\$ 470,516
Hard Cost Contingency	\$ 821,049
Total Hard Costs	\$ 13,898,469
Soft Costs/Fees	

Architect	\$ 850,000
Environmental	\$ 8,000
General conditions, insurance fees	\$ 2,753,154
Legal (Zoning, Finance, Permitting)	\$ 180,000
Financing Costs (Equity/Debt)	\$ 100,000
Due Diligence Costs	\$ 35,000
Appraisal	\$ 8,000
Closing Costs	\$ 25,000
Licenses, Food, Liquor, etc.	\$ 10,000
Property Taxes	\$ 59,269
Contingency	100,000
Opening Cost Allowance	\$ 750,000
Const. Insurance	\$ 50,000
Total Soft Costs	\$ 4,928,423
Total	\$ 22,876,893

116629 000001 4837-4834-6287 3

EXHIBIT G-2 MBE/WBE BUDGET

	Project Budget	MBE/WBE Budget
Acquisition	\$ 4,050,001	
Hard Costs		
Site	\$ 1,370,075	\$ 1,370,075
Substructure	\$ 202,889	\$ 202,889
Structure	\$ 1,332,709	\$ 1,332,709
Exterior Enclosure	\$ 1,821,105	\$ 1,821,105
Finishes	\$ 1,923,928	\$ 1,923,928
Equipment & Pools	\$ 120,000	\$ 120,000
Vertical transportation	\$ 165,000	\$ 165,000
MEPs	\$ 3,665,749	\$ 3,665,749
Brewery FFE	\$ 1,035,450	\$ 1,035,450
Lighting/Sound FFE	\$ 970,000	\$ 970,000
Other FF&E	\$ 470,516	\$ 470,516
Hard Cost Contingency	\$ 821,049	\$ 821,049*
Total Hard Costs	\$ 13,898,172	\$ 11,892,722
Soft Costs/Fees		
Architect	\$ 850,000	
Environmental	\$ 8,000	

Legal (Zoning, Finance, Permitting)	\$	180,000		
Financing Costs (Equity/Debt)	\$	100,000		
Due Diligence Costs	\$	35,000		
Appraisal	\$	8,000		
General conditions, insurance fees	\$	2,753,154		
Closing Costs	\$	25,000		
Licenses, Food, Liquor, etc.	\$	10,000		
Property Taxes	\$	59,269		
Contingency	\$	100,000		
Opening Cost Allowance	\$	750,000		
Const Insurance	\$	50,000		
Total Soft Costs	\$	4,928,423		\$ --
Total	\$	22,876,893		\$ 11,892,722
		MBE	26%	\$ 3,092,107.72
		WBE	6%,	\$ 713,563

*MBE/WBE participation required only to the extent hard cost contingency is used

66

116629 000001 4837-4834-6287 3

EXHIBIT H APPROVED PRIOR EXPENDITURES [Not attached for ordinance]

67

EXHIBIT I

OPINION OF DEVELOPER'S COUNSEL [Not attached for ordinance]

68

EXHIBIT J

PRELIMINARY TIF PROJECTION - REAL ESTATE TAXES [Not attached for ordinance]

116629 000001 4837-4834-6287.3

EXHIBIT K REQUISITION FORM [Not attached for ordinance]

116629 000001 4837-4834-6287 3

EXHIBIT L

FORM OF SUBORDINATION AGREEMENT [Not attached for ordinance]

116629 000001 4837-4834-6287 3

71

EXHIBIT M FORM OF PAYMENT BOND [Not attached for ordinance]

116629 000001 4837-4834-6287 3

EXHIBIT N DEVELOPER NOTE [Not attached for ordinance]

116629 000001 4837-4834-6287 3

EXHIBITO RECAPTURE MORTGAGE [not attached for ordinance]

74

EXHIBIT P PRIOR OBLIGATIONS [not attached for ordinance]

75

**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:

Our Revival, LLC, a Delaware limited liability company

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. Q the Applicant
OR

2. [✓] a legal entity currently holding, or anticipated to hold within six months after City action on

2. the contract, transaction or other undertaking to which this EDS pertains (referred to below as the

2. "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal

2. name: Sole Member of Our Revival Chicago, LLC, applicant for TIF
OR

3. [J a legal entity with a direct or indirect right of control of the Applicant (see Section 11(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: 457 Clinton Avenue, Unit 1A
Brooklyn, NY 11238**

C. Telephone: 312-450-5325 Fax:
<mailto:tyler@ourrevivalchicago.com>

Email: tyler@ourrevivalchicago.com

D. Name of contact person: Tyler NeviUS

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

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

Tax increment financing for 3506, 3508-20, 3531-3547 S. Halsted St.; Ramova Theater

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

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

Specification # and Contract #

Vcr.2018-1

Page 1 of J 5

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Person

Publicly registered business corporation Privately held business corporation

Sole proprietorship General partnership Limited partnership

Trust

Party:

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

☐ Yes ☐ No
Other (please specify)

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

Delaware

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?

| | Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) for not-for-profit corporations, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) for trusts, estates or other similar entities, the trustee, executor, administrator, or similarly situated party; (iv) for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Tyler Nevius	Sole Member and Manager

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

Page 2 of 15

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Tyler Nevius	457 Clinton Avenue	

Brooklyn, NY 11238

SECTION III - INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? | Yes [] No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? Yes [] No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

[] Yes [7] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(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 (as defined in MCC Chapter 2-156), 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. 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.

Page 3 of J5

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 MCC 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 QJ 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. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

Page 4 of 15

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section 11(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, during the 5 years before 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 subparagraph (b) above;
 - d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
 - e. have not, during the 5 years before 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.
4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).
5. Certifications (5), (6) and (7) 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 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 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 subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or
 - d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).
6. Neither the Disclosing Party, nor any 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.
7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.
8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant 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 MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.
9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").
10. [FOR APPLICANT ONLY] The Applicant 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 Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

Vcr.2018-1 l'iit!c6ofI5

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

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

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

12. 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 date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none"). N/A

13. 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 \$25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient. N/A

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 MCC Section 2-32-455(b).

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 MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. 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."

Page 7 of 5

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

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

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, 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?

[J 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), skip Items D(2) and D(3) and 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?

QYes D^{No}

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

Name	Business Address	Nature of Financial Interest
None		

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 (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

1^11. 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.

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

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, 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, as amended, 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 Ver.2018-1 Page9ofT5

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

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 ☐ [J 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 ☐ | [Reports not required ☐

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

- Yes [J No ☐

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

Page 10 of 15

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

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 Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics <<http://www.cityofchicago.org/Ethics>>, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.
- 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 City transactions. 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 in, and appended to, this EDS may be made publicly available 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 MCC Chapter 1-23, Article I (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

Page 11 of 15

CERTIFICATION

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

OUR REVIVAL, LLC, a Delaware limited liability company

(Print or type exact legal name of Disclosing Party)

By:

(SJp3*ere) Tyler

Nevius

(Print or type name of person signing) Sole Member

(Print or type title of person signing)

Signed and sworn to before me on (date) -dAiflOflr^ IUjQjQTA)

at NPi^MovV CountyJSfftp \p(V (state).

Notary Ppublic

Commission expires: ^W\C fty'VI'

LINDSEY SLOAN LANDRUM Notary Public, State of New York Registration #01LA6378905 Qualified In New York
County commission Expires June 18. 2022

Page 12 of 15

**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%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC 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% 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?

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.
N/A

Page 13 of 15

**CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT
APPENDIX B**

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

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% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

☐ Yes ☒ No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

☒ Yes ☐ No ☐ The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

N/A

Page 14 of 15

**CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT
APPENDIX C**

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a "contractor" as defined in MCC Section 2-92-385. That section, which should be consulted (www.ainlegal.com' <<http://www.ainlegal.com>>), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants' wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

☐ Yes

☐ No

J/j N/A - I am not an Applicant that is a "contractor" as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked "no" to the above, please explain. N/A

Page 15 of 15