



# Office of the City Clerk

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

## Legislation Text

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File #: O2011-3407, Version: 1

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OFFICE OF THE MAYOR  
CITY OF CHICAGO  
RICHARD M. DALEY  
MAYOR

April 13, 2011

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

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing the sale of city-owned property.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

### ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City is the owner of the parcel of land commonly known as 8828 South Stony Island Avenue, Chicago, Illinois, which is legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, the Property's total area equals approximately 13,300 square feet and includes four parcels which are improved with a single-story all masonry structure of approximately 8,000 square feet, with twelve parking spaces in the rear; and

WHEREAS, the Property has been vacant since 2006 as a result of the construction of a new Avalon Branch Library at 82nd Street and South Stony Island Avenue; and

WHEREAS, the appraised market value of the Property is Two Hundred Forty Thousand and No/100 Dollars (\$240,000.00); and

WHEREAS, Black on Black Love Organization, an Illinois not-for-profit corporation ("Developer"), has submitted a proposal to the Department of Housing and Economic Development (the "Department"), to purchase the Property for Five Thousand and No/100 Dollars (\$5,000.00) and to renovate the existing structure and operate its primary office thereon (the "Project"); and

WHEREAS, by Resolution No. 10-051-21 adopted on October 21, 2010, the Chicago Plan Commission authorized the Department to advertise its intention to enter into a negotiated sale with the Developer for the redevelopment of the Property, approved the Department's request to advertise for alternative proposals, and approved the sale of the Property to the Developer if no alternative proposals were received; and

WHEREAS, public notices advertising the Department's intent to enter into a negotiated sale of the Property with the Developer and requesting alternative proposals appeared in the Chicago Sun-Times on November 22, November 29, and December 6, 2010; and

***WHEREAS, no alternative proposals were received by the deadline indicated in the aforesaid notices; now, therefore,***

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

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. The sale of the Property to the Developer for Five Thousand and No/100 Dollars (\$5,000.00) is hereby approved. This approval is expressly conditioned upon the City entering into a redevelopment agreement with the Developer substantially in the form attached hereto as Exhibit B (the "Redevelopment Agreement"). The Commissioner of the Department (the "Commissioner") or a designee of the Commissioner is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver the Redevelopment Agreement, and such other supporting documents as may be necessary or appropriate 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 3. The Mayor or his proxy is authorized to execute, and the City Clerk is authorized to attest, a quitclaim deed conveying the Property to the Developer, or to a land trust of which the Developer is the sole beneficiary, or to an entity of which the Developer is the sole controlling party or is comprised of the same principal parties, subject to those covenants, conditions and restrictions set forth in the Redevelopment Agreement.

SECTION 4. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 5. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. This ordinance shall take effect immediately upon its passage and approval.

Attachments: Exhibit A- Legal Description of Property Exhibit B- Redevelopment Agreement

**EXHIBIT A LEGAL DESCRIPTION OF PROPERTY**

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

[TO COME]

COMMONLY KNOWN AS: 8828 SOUTH STONY ISLAND AVENUE  
CHICAGO, ILLINOIS 60619  
PERMANENT INDEX NO.: 25-02-215-028-0000  
25-02-215-029-0000 25-02-215-030-0000 25-02-215-031-0000

**EXHIBIT B REDEVELOPMENT AGREEMENT**

[SEE ATTACHMENT]

This Document Prepared by and After Recording Return To: Steven Holler  
Deputy Corporation Counsel City of Chicago Department of Law Real Estate Division 121 North LaSalle

Street Room 600

Chicago, Illinois 60602 (312)744-6934

AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND

(The Above Space For Recorder's Use Only)

This AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND, as may be amended from time to time, ("Agreement") is made on or as of the \_ day of

\_ ' 2011, by and between the CITY OF CHICAGO, an Illinois municipal corporation and home rule unit of government ("City"), acting by and through its Department of Housing and Economic Development (together with any successor department thereto, "DHED"), having its principal offices at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602 and BLACK ON BLACK LOVE ORGANIZATION, an Illinois not-for-profit corporation ("Developer"), whose offices are currently located at 1000 East 87th Street, Chicago, Illinois 60619. v

**RECITALS**

WHEREAS, the Developer desires to purchase from the City the real property commonly known as the former Avalon Branch Library, located at 8828 South Stony Island Avenue, Chicago, Illinois (the "Property"), which real property is legally described on Exhibit A attached hereto; and

WHEREAS, the Property's total area equals approximately 13,300 square feet and includes four parcels which are improved with a single-story all masonry structure of approximately 8,000 square feet, with twelve parking spaces in the rear; and

WHEREAS, the Developer is an anti-crime, anti-violence not-for-profit organization dedicated to creating constructive programs that create safe havens for youth through mentoring and after school activities; helping former female ex-offenders transform their lives via counseling, life skills management and workshops (parenting, anger management, conflict

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resolution); and, providing other social services designed to help the disadvantaged transform their lives; and

WHEREAS, the Developer has been in existence for 28 years and has long standing relationships with Chicago Public Schools, Chicago City Colleges, Cook County Jail and other entities; and

WHEREAS, the Developer is currently located in a temporary space; and

WHEREAS, the Property has been vacant since 2006 as a result of the construction of a new Avalon Branch Library at 82nd Street and South Stony Island Avenue; and

WHEREAS, the Developer intends to rehabilitate the Property to use as its permanent office (hereinafter referred to as the "Project"); and

WHEREAS, the Developer has secured funding for the Project in the form of a Two Hundred Thousand and No/100 Dollars (\$200,000.00) capital grant from the State of Illinois (the "State Grant"), to be administered through the Illinois Department of Commerce and Economic Opportunity; and

WHEREAS, the Developer has sufficient additional cash equity to complete the Project; and

WHEREAS, pursuant to Resolution 10-051-21 adopted on October 21, 2010, the Chicago Plan Commission authorized the City to enter into a negotiated sale with Developer for the Property; and

WHEREAS, the appraised market value of the Property is Two Hundred Forty Thousand and No/100 Dollars (\$240,000.00); and

WHEREAS, the City is willing to sell the Property to the Developer for a total of Five Thousand and No/Dollars (\$5,000.00), in consideration of the Developer's fulfillment of its obligations under this Agreement including the obligation to complete the Project; and

WHEREAS, the City Council, pursuant to an ordinance adopted on

\_\_, 2011, and published at pages \_ through \_ in the Journal of such

date, authorized the sale of the Property to the Developer, subject to the execution, delivery and recording of this Agreement; and

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 agree as follows:

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## **SECTION 1. INCORPORATION OF RECITALS.**

The recitals set forth above constitute an integral part of this Agreement and are incorporated herein by this reference with the same force and effect as if set forth herein as agreements of the parties.

## **SECTION 2. PURCHASE PRICE.**

Subject to the terms, covenants and conditions of this Agreement, the City agrees to sell the Property to the Developer, and the Developer agrees to purchase the Property from the City for Five Thousand and No/100 Dollars (\$5,000.00) ("Purchase Price"), on the Closing Date (defined in Section 3). No earnest money or performance deposit shall be due under this Agreement. All other closing costs, including all title charges, shall be borne by Developer.

## **SECTION 3. CLOSING.**

The closing of the transfer of the Property from the City to the Developer (the "Closing" or, the "Closing Date") shall take place at the downtown offices of Greater Illinois Title Company, 120 North LaSalle Street, Chicago, Illinois 60602 or such other reputable title company as may be selected by the Developer (the "Title Company") prior to the Closing. In no event shall the Closing occur (1) until and unless the conditions precedent set forth in Section 8 are all satisfied, unless DHED, in its sole discretion waives one or more of such conditions; and (2) any later than October 15, 2011, (the "Outside Closing Date"), unless DHED, in its sole discretion, extends the Outside Closing Date for an additional three (3) months. At the Closing, the City shall deliver to the Developer (a) the Deed (as defined below); (b) all necessary state, county and municipal real estate transfer declarations; and (c) possession of the Property.

## **SECTION 4. CONVEYANCE OF TITLE.**

4.1 Form of Deed. The City shall convey the Property to the Developer by quitclaim deed (the "Deed"), subject to the terms of this Agreement and the following ("Permitted Exceptions"):

- a. standard exceptions in an ALTA title' insurance policy;
- b. general real estate taxes and any special assessments or other taxes;
- c. all easements, encroachments, covenants and restrictions of record and not shown, of record, provided the same are not violated by, and do not interfere with, > Developer's intended use of the Property;
- d. such other title defects that may exist, provided the same are not violated by, and do not interfere with, Developer's intended use of the Property.

The Deed shall also include a restrictive covenant limiting the use,,of the Property to the Developer's not-for-profit purposes, or other not-for-profit purposes acceptable to the City in its sole discretion.

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4.2 Recording Costs. The Developer shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the Property to the Developer.

4.3 Escrow. If the Developer requires conveyance through escrow, the Developer shall pay all escrow fees.

## **SECTION 5. TITLE, SURVEY AND REAL ESTATE TAXES.**

5.1 Title Commitment and Insurance. Not less than 30 days before the anticipated Closing Date, the Developer shall order a current title commitment for the Property issued by the Title Company. The Developer shall pay the cost of, and shall be responsible for, obtaining on the Closing Date, any title insurance, extended coverage and any endorsements it deems necessary. The City will cooperate, at the Developer's expense, with the Developer's efforts to remove any title exceptions that are not Permitted Exceptions. The City agrees to provide the Title Company with a completed ALTA owner's statement, and other transfer documents typically required by the Title Company and typically provided by the City (but expressly excluding, however, "gap" undertakings, title indemnities and similar liabilities) at or prior to the Closing. At the Closing, the Developer shall deliver to the City a copy of the owner's policy of title insurance that it obtains with respect to the Property.

5.2 Survey. The Developer will be responsible for obtaining, at Developer's expense, a survey for the Property.

5.3 Real Estate Taxes. The City shall use reasonable efforts to obtain the waiver or release of any delinquent real estate taxes or tax liens on the Property prior to the Closing Date, to the extent such taxes or tax liens can be waived or released through submission of an abatement letter to the Cook County Treasurer, a motion to vacate a tax sale or a petition for exemption. If the- City is unable to obtain the waiver or release of any such tax liens or is unable to cause the Title Company to insure over such tax liens, or if the Property is encumbered with any other unpermitted exceptions, the Developer shall have the option to do one of the following: (1) accept title to the Property subject to the unpermitted exceptions, which shall then become Permitted Exceptions; or (2) terminate this Agreement by delivery of written notice to the City, in which event this Agreement shall be null and void and, except as otherwise specifically provided herein, neither party shall have any further right, duty or obligation hereunder. If the Developer elects not to terminate this Agreement as aforesaid, the Developer agrees to accept title subject to the unpermitted exceptions in addition to the Permitted Exceptions.

#### **SECTION 6. BUILDING PERMITS AND OTHER GOVERNMENTAL APPROVALS.**

Unless waived by DHED in writing, which waiver shall be within DHED's sole discretion, the Developer shall apply for and obtain all necessary building permits and other required zoning approvals (collectively, the "Governmental Approvals") prior to the Closing Date.

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#### **SECTION 7. PROJECT BUDGET AND PROOF OF FINANCING.**

The total Project budget is currently estimated to be Two Hundred Sixty Thousand and No/100 Dollars (\$260,000) (the "Preliminary Project Budget"). On or before the Closing Date, the Developer shall submit to DHED for approval: (1) a final budget which is materially consistent with the Preliminary Project Budget (the "Final Budget"); and (2) evidence of funds adequate to construct the Project ("Proof of Financing"). The Proof of Financing shall include executed grant agreement documents for the State Grant, and evidence of the Developer's ability to immediately fund an equity contribution in the amount necessary to fill any gap between the Budget and any approved financing.

#### **SECTION 8. CONDITIONS TO THE CITY'S OBLIGATION TO CLOSE.**

The obligations of the City under this Agreement are contingent upon each of the following being satisfied at least seven (7) days prior to the Closing Date, or by such other date as may be specified, unless such condition is waived by DHED in writing, in its sole discretion:

8.1 Final Governmental Approvals. Developer shall have delivered to the City all evidence of its receipt of all Governmental Approvals necessary to construct the Project.

8.2 Budget and Proof of Financing. The City shall have approved the Developer's Final Budget and Proof of Financing.

8.3 Simultaneous Loan Closing. On the date of the Closing, the Developer shall simultaneously close the State Grant and any other financing necessary, for the acquisition and construction of the Project, and be in a position to immediately commence construction of the Project.

8.4 Insurance. The Developer shall provide evidence of insurance reasonably acceptable to the City. Prior to the issuance of the Certificate of Completion, the City shall be named as an additional insured on any liability insurance policies and as a loss payee (subject to the rights of any permitted mortgagee) on any property insurance policies from the Closing Date through the date the City issues the Certificate of Completion (as defined in Section 12). With respect to property insurance, the City will accept an ACORD 28 form. With respect to liability insurance, the City will accept an ACORD 25 form, together with a copy of the endorsement that is added to the Developer's policy showing the City as an additional insured.

8.5 Legal Opinion. The Developer shall have delivered to the City a legal opinion stating, in part, that the Developer has been duly organized and that the Developer is duly authorized to enter into this Agreement. Such opinion shall be in a form- and substance reasonably acceptable to the City's Corporation Counsel.

8.6 Due Diligence. The Developer shall have delivered to the City due diligence searches in its name (UCC,

State and federal tax lien, pending litigation and judgments in Cook County and the U.S. District Court for the Northern District of Illinois, and bankruptcy) showing no unacceptable liens, litigation, judgments or filings, as reasonably determined by the City's Corporation Counsel.

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8.7 Organization and Authority Documents. The Developer shall have delivered to the City certified articles of incorporation, including all amendments thereto, of the Developer, as furnished and certified by the Secretary of State of the State of Illinois; a Certificate of Good Standing dated no more than thirty (30) days prior to the Closing Date, issued by the Office of the Secretary of State of the State of Illinois, as to the good standing of the Developer; and bylaws, resolutions and such other organizational documents as the City may reasonably request.

8.8 MBE/WBE and Local Hiring Compliance Plan.

a. At least fourteen (14) days prior to the Closing Date, the Developer and the Developer's general contractor and all major subcontractors shall meet with staff from DHED's monitoring section regarding compliance with the MBE/WBE and local hiring requirements set forth in this Agreement pursuant to Section 22 below. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under Section 22 below,, the sufficiency of which shall be approved by the City's monitoring staff.

b. DHED shall also have approved the Developer's compliance plan in accordance with Section 22.

8.9 Reconveyance Deed. Prior to the conveyance of the Property to the Developer, the Developer shall deliver to the City a special warranty deed for the Property in recordable form naming the City as grantee ("Reconveyance Deed"), for possible recording in accordance with Section 18.3 below, if applicable.

8.10 Representations and Warranties. On the Closing Date, each of the representations and warranties of the Developer in this Agreement shall be true and correct. ,

8.11 Other Obligations. On the Closing Date, the Developer shall have performed all of the other obligations required to be performed by the Developer under this Agreement as of the Closing Date.

8.12 Right to Terminate. If any of the conditions in this Section 8 have not been satisfied to the City's reasonable satisfaction within the time period provided for herein, or prior to the Outside Closing Date, the City may, at its option, terminate this Agreement by delivery of written notice to the Developer at any time after the expiration of the applicable time period, and this Agreement shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder. Any forbearance by the City in exercising its right to terminate this Agreement upon a default hereunder shall not be construed as a waiver of such right.

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## **SECTION 9. SITE PLANS AND ARCHITECTURAL DRAWINGS.**

9.1 Site Plans. The Developer shall comply with the applicable landscaping provisions set forth in the Municipal Code, and shall construct the Project on the Property in

accordance with the site plan specifications and architectural drawings prepared by: \_

dated \_ which have been approved by DHED as of the date hereof and

which are incorporated herein by reference ("Specifications and Drawings"), which Specifications and Drawings are attached as Exhibit B. No material deviation, from the Specifications and Drawings may be made without full review, consideration and prior written approval by DHED, which will not be unreasonably withheld. If the Developer submits and DHED approves revised design development specifications and drawings after the date of this Agreement, the term "Specifications and Drawings" as used herein shall refer to the revised design development specifications and drawings upon DHED's written approval of same.

9.2 Relocation of Utilities, Curb Cuts and Driveways. . To the extent necessary to complete the Project, the Developer shall be solely responsible for and shall pay all costs in regard to: (1) the relocation, installation or construction of public or private utilities located on the Property; (2) the relocation, installation and construction of any curb cuts and driveways; (3) the repair or reconstruction of any curbs, vaults, sidewalks or parkways required in connection with the Developer's redevelopment; (4) the removal of existing pipes, utility

equipment or building foundations located on the Property; and (5) the termination of existing water or other services. Any streetscaping, including any paving of sidewalks, landscaping and lighting provided by the Developer, as part of the Project, must be approved by the City.

9.3 Inspection by the City. For the period commencing on the Closing Date and continuing through the date the City issues the Certificate of Completion, any duly authorized representative of the City shall have access to the Property at all reasonable times for the purpose of determining whether the Developer is constructing the Project in accordance with the terms of this Agreement and all applicable federal, state and local statutes, laws, ordinances, codes, rules, regulations, orders and judgments, including, without limitation, Sections 7-28 and 11-4 of the Municipal Code of Chicago relating to waste disposal (collectively, "Laws").

9.4 Barricades and Signs. Upon the City's request, the Developer agrees to erect such signs as the City may reasonably require identifying the Property as a City redevelopment project. The Developer may erect signs of its own incorporating such approved identification information upon the execution of this Agreement. Prior to the commencement of any construction activity requiring barricades, the 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. The City shall have the right to approve all barricades, the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades, and all signage, which approval shall not be unreasonably withheld or delayed.

9.5 Green Building Features. The Developer agrees to use its best efforts to include in the Project the green building features, materials, and techniques identified on Exhibit D attached hereto (the "Green Building Features"). The Developer shall revise the Specifications and Drawings as necessary to indicate such Green Building Features as are actually included in

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the Project. The Developer shall provide evidence in its Final Budget pursuant to Section 7 that indicates how it has priced such Green Building Features in good faith for potential inclusion in the Project, and that indicates any such Green Building Features actually included.

#### **SECTION 10. LIMITED APPLICABILITY.**

DHED's approval of the Specifications and Drawings is for the purpose of this Agreement only and does not constitute the approval required by the City's Department of Buildings ("DOB") or any other City department; nor does the approval by DHED pursuant to this Agreement constitute an approval of the quality, structural soundness or the safety of any improvements located or to be located on the Property. The approval given by DHED shall be only for the benefit of the Developer and any lienholder authorized by this Agreement.

#### **SECTION 11. COMMENCEMENT AND COMPLETION OF PROJECT.**

Subject to the receipt of all necessary government approvals, the Developer shall commence construction of the Project no later than November 1, 2011 and shall complete the Project (as evidenced by the Developer's written request for a Certificate of Completion for the Project) no later than May 1, 2012. Notwithstanding the foregoing commencement and completion dates, DHED shall, upon Developer's request, extend such construction commencement and completion dates by up to three (3) months and may, in DHED's sole discretion, grant additional extensions. The Project shall be constructed substantially in accordance with the Specifications and Drawings and in accordance with all applicable laws, regulations and codes.

#### **SECTION 12. CERTIFICATE OF COMPLETION.**

Upon the completion of the Project, the Developer shall request from the City a Certificate of Completion (the "Certificate of Completion"). Within forty-five (45) days thereof, the City shall provide the Developer with either the Certificate of Completion or a written statement indicating in adequate detail how the Developer has failed to complete the Project in compliance with this Agreement, or is otherwise in default, and what measures or acts are necessary, in the sole reasonable opinion of DHED, for the Developer to take or perform in order to obtain the Certificate of Completion. If DHED requires additional measures or acts to assure compliance, the Developer shall resubmit a written request for the Certificate of Completion upon compliance with the City's response. The Certificate of Completion shall be in recordable form, and shall, upon recording, constitute a

conclusive determination of satisfaction and termination of certain of the covenants in this Agreement and the Deed (but excluding those" ongoing covenants as referenced in Section 17) with respect to the Developer's obligations to construct the Project.

#### **SECTION 13. RESTRICTIONS ON USE.**

The Developer agrees that it:

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13.1 Shall devote the Property or any part thereof to the Project and for its non-profit uses, or such other not-for-profit use as may be acceptable to the City in its sole discretion, such restrictive covenant running with the land in perpetuity; and

13.2 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 Property or any part thereof.

13.3 In the event that Developer shall not occupy and use all of the Property, Developer agrees to make the Property available to other not-for-profit purposes upon commercially reasonable terms and conditions.

#### **SECTION 14. PROHIBITION AGAINST TRANSFER OF PROPERTY.**

Prior to the issuance of the Certificate of Completion, as provided herein, the Developer may not, without the prior written consent of DHED, which consent shall be in DHED's sole discretion: (1) directly or indirectly sell or convey the Property or any part thereof or any interest therein, or the Developer's controlling interests therein; or (2) directly or indirectly assign this Agreement. In the event of a proposed sale, the City shall be provided copies of any and all sales contracts, legal descriptions, descriptions of intended use, certifications from the proposed buyer regarding this Agreement and such other information as the City may reasonably request. The proposed buyer must be qualified to do business with the City (including but not limited to anti-scofflaw requirement). Notwithstanding the foregoing, the Developer shall be permitted to encumber the Property in accordance with the terms of Section 15 hereof. After the issuance of the Certificate of Completion, no City consent shall be required for any type of transfer of the Property to a transferee that is a not-for-profit corporation, provided that the transferee assumes in writing the continuing obligations of the Developer under Sections 13 and 17 of this Agreement.

#### **SECTION 15. LIMITATION UPON ENCUMBRANCE OF PROPERTY.**

Prior to the issuance of the Certificate of Completion, the Developer shall not, without DHED's prior written consent, which shall be in DHED's sole discretion, engage in any financing or other transaction which creates a financial encumbrance or lien on the Property, except for the purposes of obtaining: (a) funds necessary to acquire the Property, if any; (b) funds related to the Proof of Financing or otherwise necessary to construct the Project in substantial accordance with the Final Budget; and (c) after construction, funds necessary to own, maintain and operate the Property and the Project in accordance with the requirements of this Agreement. After the issuance of the Certificate of Completion, no City consent shall be required for any type of financing or other transaction which creates a financial encumbrance or lien on the Property.

#### **SECTION 16. MORTGAGEES NOT OBLIGATED TO CONSTRUCT.**

Notwithstanding any other provision of this Agreement or of the Deed, the holder of any mortgage authorized by this Agreement (or any affiliate of such holder) shall not itself be

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obligated to construct or complete the Project, or to guarantee such construction or completion, but shall be bound by the other covenants running with the land specified in Section 17. If any such mortgagee or its affiliate succeeds to the Developer's interest in the Property prior to the issuance of the Certificate of Completion, whether by foreclosure, deed-in-lieu of foreclosure or otherwise, and thereafter transfers its interest in the Property to another party (that is not also a mortgagee), such transferee shall be obligated to complete the Project, and shall also be bound by the other covenants running with the land specified in Section 17.

#### **SECTION 17. COVENANTS RUNNING WITH THE LAND.**



The parties agree, and the Deed shall so expressly provide, that the covenants provided in Section 11 (Commencement and Completion of Project), Section 13 (Restrictions on Use), Section 14 (Prohibition Against Transfer of Property) and Section 15 (Limitation Upon Encumbrance of Property) will be covenants running with the land, binding on the Developer and its successors and assigns (subject to the limitations set forth in Section 16 above as to any permitted mortgagee) 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. The covenants provided in Section 11, Section 14, (except for the continuing obligations of the Developer under Sections 13 and 17 herein) as assumed by any transferee, and Section 15 shall terminate upon the issuance of the Certificate of Completion. The covenants contained in Section 13 shall remain in effect without limitation as to time. '

## **SECTION 18. PERFORMANCE AND BREACH.**

18.1 Time of the Essence. Time is of the essence in the Developer's performance of its obligations under this Agreement.

18.2 Permitted Delays. The Developer shall not be considered in breach of its obligations under this Agreement in the event of a delay due to unforeseeable causes beyond the Developer's control and without the Developer's fault or negligence, including but not limited to, acts of God, acts of the public enemy, acts of the United States government, fires, floods, epidemics, quarantine restrictions, strikes, embargoes, material shortages, and unusually severe weather or delays of contractors or subcontractors due to such causes. The time for the ' performance of the obligations shall be extended only for the period of the delay and only if the Developer requests it in writing of the City within twenty (20) days after the beginning of any such delay.

18.3 Breach.

a. Generally. Subject to Section 18.2, if the Developer defaults in performing its obligations under this Agreement, the City shall deliver written notice of such default, after which the Developer shall have a 60-day cure period to remedy such default. If the default is not capable of being cured within the 60-day period, then provided the Developer has commenced to cure the default and is diligently proceeding to cure the default within the 60-day period, and thereafter diligently prosecutes such cure through to completion, then the 60-day period shall be extended for the length of time that is reasonably necessary to cure the default. If

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the default is not cured in the time period provided for herein, the City may institute such proceedings at law or in equity as may be necessary or desirable to cure and remedy the default, including but not limited to, proceedings to compel specific performance.

No notice or cure period shall apply to a failure to close by the respective dates as set forth in Section 3 herein. Unless the failure to close is due to circumstances described in Section 18.2. above or caused by a breach by the City under the L, terms of this Agreement, such failure shall constitute an immediate "Event of Default". Failure to close by the dates set forth in Section 3 shall entitle the City to terminate this Agreement.

b. Event of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" after written notice from the City (if required):

1. The Developer fails to perform any obligation of the Developer under this Agreement; which default is not cured pursuant to Section 18.3(a); or
2. The Developer makes or furnishes a warranty, representation, statement or certification to the City (whether in this Agreement, an Economic Disclosure Form, or another document) which is not true and correct, which default is not cured pursuant to Section 18.3(a); or
3. A petition is filed by or against the Developer under the Federal Bankruptcy Code or any similar state or federal law, whether now or hereinafter existing, which is not vacated, stayed or set aside within thirty (30) days after filing; or
4. Except as excused by Section 18.2 above, the Developer abandons or substantially suspends the construction work (no notice or cure period shall apply); or
5. The Developer fails to timely pay real estate taxes or assessments affecting the Property or suffers or permits

any levy or attachment, material suppliers' or mechanics' lien, or any other lien or encumbrance unauthorized by this Agreement to attach to the Property, which default is not cured pursuant to Section 18.3(a); or

6. The Developer makes an assignment, pledge, unpermitted financing, encumbrance, transfer or other disposition in violation of this Agreement (no notice or cure period shall apply); or

7. The Developer's financial condition or operations adversely change to such an extent that would materially affect the

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Developer's ability to complete the Project which default is not cured pursuant to Section 18.3(a); or

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8. The Developer fails to perform, keep or observe any of the other covenants, promises, agreements, or obligations under this Agreement, including but not limited to, the covenants set forth in Sections 13 and 17 herein, or any other written agreement entered into with the City with respect to this Project, which default is not cured pursuant to Section 18.3(a); or

9. Failure to close by the Outside Closing Date, unless DHED, in its sole discretion, extends the Outside Closing Date.

c. Prior to Conveyance. Prior to Closing, if an Event of Default occurs and is continuing, and the default is not cured in the time period provided in herein, the City may terminate this Agreement, and institute any action or proceeding at law or in equity against the Developer.

d. After Conveyance. After Closing, if an Event of Default occurs and is continuing, beyond the applicable cure period under Section 18.3(a) above, if any, the City, may terminate this Agreement and exercise any and all remedies available to the City at law or in equity, including but not limited to, the right to record the Reconveyance Deed, the right to re-enter and take possession of the Property,

^ terminate the estate conveyed to the Developer, and revert title to the Property in the City (the "Right of Reverter"); provided, however, that the reverting of title in the City shall be limited by, and shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement. Notwithstanding the foregoing 'to the contrary, prior to its exercise of its Right of Reverter, the City shall provide written notice to the Developer of its intent to exercise its Right of Reverter, and the Developer shall have an additional ninety (90) days to cure the applicable Event of Default.

e. Resale of the Property. Upon the reverting in the City of title to the Property as provided in Section 18.3(d), the City shall employ its best efforts to convey the Property (subject to first mortgage liens permitted under this Section) to a qualified and financially responsible party (as solely determined by the City) who shall assume the obligation of completing the construction of the Project or such other improvements as shall be satisfactory to the City and complying with the covenants that run with the land, as specified in Section 17.

f. Disposition of Resale Proceeds. If the City sells the Property, the net proceeds from the sale, after payment of all amounts owed under any mortgage authorized by this Agreement in order of priority, shall be utilized to reimburse the City for:

1. unreimbursed costs and expenses incurred by the City in connection with the Property, including but not limited to, salaries

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of personnel in connection with the recapture, management and resale of the Property; and

2. all unpaid taxes, assessments, and water and sewer charges assessed against the Property; and \_ /

3. any payments niade (including reasonable attorneys' fees) to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Developer; and

4. any expenditures made or obligations incurred with respect to construction or maintenance of the Project; and

5. Two Hundred Forty Thousand and No/100 Dollars (\$240,000), representing the fair market value of the Property as of the date of this Agreement; and

6. any other amounts owed to the City by the Developer.

The Developer shall be entitled to receive any remaining proceeds up to the amount of the Developer's equity investment in the Property.

g. Waiver and Estoppel. Any delay by the City in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not operate as a waiver of such rights or operate to deprive the City of or limit such rights in any way. No waiver made by the City with respect to any specific default by the Developer shall be construed, considered or treated as a waiver of the rights of the City with respect to any other defaults of the Developer.

#### **SECTION 19. CONFLICT OF INTEREST; CITY'S AND DEVELOPER'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.**

The Developer warrants that no agent, official, or employee of the City shall have any personal interest, direct or indirect, in this Agreement or the Property, nor shall any such agent, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any entity or association in which he or she is directly or indirectly interested. No agent, official, or employee of the City shall be personally liable to the 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 the Developer or successor or on any obligation under the terms of this Agreement. It is expressly understood and agreed to by and between the parties hereto, anything herein to the contrary notwithstanding, that no individual member of the Developer, its officers, members of its board of directors, officials, agents, representatives or employees shall be personally liable for any of the Developer's obligations or any undertaking or covenant of the Developer contained in this Agreement:

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#### **SECTION 20. INDEMNIFICATION.**

The Developer agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) (collectively "Losses") suffered or incurred by the City arising from or in connection with: (1) an Event of Default that has occurred; (2) the failure of the Developer or any contractor to pay contractors, subcontractors or material suppliers in connection with the construction of the Project; (3) the failure of the Developer to redress any misrepresentations or omissions in this Agreement or any other agreement relating hereto; and (4) any actions, including but not limited to, conducting environmental tests on the Property as set forth in Section 21 herein, resulting from any activity undertaken by the Developer on the Property prior to or after the conveyance of said Property to the Developer by the City; provided, however, the Developer shall have no obligation to indemnify the City for Losses to the extent such losses are caused by the City or its agents. This indemnification shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

#### **SECTION 21. ENVIRONMENTAL MATTERS.**

The City makes no covenant, representation or warranty as to the environmental condition of the Property or the suitability of the Property for any purpose whatsoever, and the Developer agrees to accept the Property "as is."

It shall be the responsibility of the Developer, at its sole cost and expense, to investigate and determine the soil and environmental condition of the Property. Prior to the Closing, the Developer shall have the right to request a thirty (30) day right of entry for the purpose of conducting environmental tests on the Property. If such a request is made, the City shall grant the Developer a right of entry pursuant to a right of entry agreement in form and substance reasonably acceptable to the City.

The Developer agrees to deliver to the City a copy of each report prepared by or for the Developer regarding the environmental condition of the Property. If prior to the Closing, the Developer's environmental consultant determines an environmental or soil condition exists on the Property to such an extent that the Developer determines that it is not satisfied, in its sole discretion, with the condition of the Property, the Developer may declare this Agreement null and void by giving written notice thereof to the City.

If after the Closing, the environmental condition of the Property is not in all respects entirely suitable for the

use to which the Property is to be utilized, it shall be the sole responsibility and obligation of the Developer to take such action as is necessary to put the Property in a condition which is suitable for the intended use of the Property. The Developer agrees to waive, release and indemnify the City from any claims and liabilities relating to or arising from the environmental condition of the Property (including, without limitation, claims arising under CERCLA) and to undertake and discharge all liabilities of the City arising from any environmental condition which existed on the Property prior to the Closing.

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## **SECTION 22. DEVELOPER'S EMPLOYMENT OBLIGATIONS.**

**22.1 Employment Opportunity.** The Developer agrees, and shall contractually obligate its various contractors, subcontractors and any affiliate of the Developer operating on the Property (collectively, the "Employers" and individually, an "Employer") to agree that, with respect to the provision of services in connection with the construction of the Project on the Property, but not including construction on the Property, or occupation of the Property during the construction period:

a. Neither the Developer nor any 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, Section 2-160-010 et seq. of the Municipal Code of Chicago, as amended from time to time (the "Human Rights Ordinance"). The Developer and 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. The Developer and 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 Developer and each Employer, 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, the Developer and each Employer shall present opportunities for training and employment of low and moderate income residents of the City, and provide that contracts for work in connection with the construction of the Project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the City.

c. The Developer and each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, without limitation, the 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. The Developer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the City,

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which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

e. The Developer and each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the construction of 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 Property, so that each such provision shall be binding upon each contractor, subcontractor or affiliate, as the case may be.

f. Failure to comply with the employment obligations described in this Section 22 shall be a basis for the City to pursue remedies under the provisions of Section 18.

22.2 City Resident Employment Requirement.

a. The Developer agrees, and shall contractually obligate each Employer to agree, that during the construction of the Project, it and each Employer shall comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago as specified in Section 2-92-330 of the Municipal Code of Chicago (at least fifty percent of the total worker hours worked by persons on the construction of the Project shall be performed by actual residents of the City of Chicago); provided, however, that in addition to complying with this percentage, the Developer and each Employer shall be required to make good faith efforts to utilize qualified residents of the City of Chicago in both unskilled and skilled labor positions.

b. The Developer and the Employers may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures

i developed by the Purchasing Agent of the City of Chicago.

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

d. The Developer and the Employers shall provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the construction of the Project. The Developer and the Employers shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

e. Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of DHED 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 company hired the employee should be written in after the employee's name.

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f. The Developer and the Employers shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DHED, the Superintendent of the Chicago Police Department, the Inspector General, or any duly authorized representative thereof. The Developer and the Employers shall maintain all relevant personnel data and records for a period of at least three (3) years from and after the issuance of the Certificate of Completion.

g. At the direction of DHED, the Developer and the Employers shall provide affidavits and other supporting documentation to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

h. Good faith efforts on the part of the Developer and the Employers to provide work for 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.

i. If the City determines that the Developer or an Employer failed to ensure the fulfillment of the requirements 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. If such non-compliance is not remedied in accordance with the breach and cure provisions of Section 18, the parties agree that 1/20 of 1 percent (0.05%) of the aggregate hard construction costs set forth in the Final Budget, shall be surrendered by the 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

f payroll data may subject the Developer and/or the other Employers or employees to prosecution.

j. 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.

k. The Developer shall cause or require the provisions of this Section 22.2 to be included in all construction contracts and subcontracts related to the construction •" of the Project.

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22.3 Developer's MBE/WBE Commitment. The 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 construction of the Project:

a. Consistent with the findings which support, as applicable, (a) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (b) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "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 22.3., during the course of the Project, the following percentages of the MBE/WBE Budget, substantially in the City's standard form attached as Exhibit C, shall be expended for contract participation by minority-owned businesses ("MBEs") and by women-owned businesses ("WBEs"): (1) At least 24% by MBEs; and (2) At least 4% by WBEs.

b. For purposes of this Section 22.3 only:

(a) The Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the 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 of Chicago, as applicable.

(b) The term "minority-owned business" or "MBE" 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.

(c) The term "women-owned business" or "WBE" 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.

c. Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or

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WBEs (but only to the extent of the lesser of (a) the MBE or WBE participation in such joint venture, or (b) the amount of any actual work performed on the Project by the MBE or WBE); by the 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 construction of the Project to one or more MBEs or WBEs; by the purchase of materials or services used in the construction of 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 the Developer's MBE/WBE commitment as described in this Section 22.3. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE general contractor or subcontractor without the prior written approval of DHED.

d. The Developer shall deliver quarterly reports to the City's monitoring staff during construction of 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 the 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 construction of 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 the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with construction of 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 the Developer, on prior notice of at least fifteen (15) business days, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of construction 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, the 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 (v), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

f. Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 22.3 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

g. Prior to the commencement of the Project, the Developer shall meet with the City's monitoring staff with regard to the Developer's compliance with its

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obligations under this Section 22.3. The general contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 22.3, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, as applicable, the Developer shall submit the documentation required by this Section 22.3 to the City's monitoring staff, including the following: (a) MBE/WBE utilization plan and record; (b) subcontractor's activity report; (c) contractor's certification concerning labor standards and prevailing wage requirements (if applicable); (d) contractor letter of understanding; (e) monthly utilization report; (f) authorization for payroll agent; (g) certified payroll; (h) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (i) evidence of compliance with job creation 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 the Developer is not complying with its obligations under this Section 22.3, shall, upon the delivery of written notice to the 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 the Developer to halt the Project, (2) withhold any further payment of any city funds to the Developer or the general contractor, or (3) seek any other remedies against the Developer available at law or in equity.

## **SECTION 23. REPRESENTATIONS AND WARRANTIES.**

23.1 Representations and Warranties of the Developer/ To induce the City to execute this Agreement and perform its obligations hereunder, the Developer hereby represents and warrants to the City that as of the date of this Agreement and as of the Closing Date the following shall be true and correct in all respects:

The Developer is a not-for-profit corporation duly incorporated, validly existing and in good standing under the laws of the State of Illinois with full power and authority to acquire, own' and redevelop the Property, and the person signing this Agreement on behalf of the Developer has the authority to do so.

All certifications and statements contained in the Economic Disclosure Statement last submitted to the City by the Developer (and any legal entity holding an interest in the Developer) are true, accurate and complete.

The Developer's execution, delivery and performance of this Agreement and all instruments and agreements contemplated hereby will not, upon the giving of notice or lapse of time, or both, result in a breach or violation of, or constitute a default under, any other agreement to which the Developer, or any party affiliated with the

Developer, is a party or by which the Developer or the Property is bound.

To the best of the Developer's knowledge, no action, litigation, investigation or proceeding of any kind is pending or threatened against the Developer, or any

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party affiliated with the Developer, and the Developer knows of no facts which could give rise to any such action, litigation, investigation or proceeding, which could: (a) affect the ability of the Developer to perform its obligations hereunder; or (b) materially affect the operation or financial condition of the Developer.

e. To the best of the Developer's knowledge, the Project will not violate: (a) any Laws, including, without limitation, any zoning and building codes and environmental, regulations; or (b) any building permit, restriction of record or other agreement affecting the Property.

23.2 Representations and Warranties of the City. To induce the Developer to execute this Agreement and perform its obligations hereunder, the City hereby represents and warrants to the Developer that the City has authority under its home rule powers to execute and deliver this Agreement and perform the terms and obligations contained herein.

23.3 Survival of Representations and Warranties. Each of the parties agrees that all of its representations and warranties set forth in this Section 23 or elsewhere in this Agreement are true as of the date of this Agreement and will be true in all material respects at all ^times thereafter, except with respect to matters which have been disclosed in writing and approved by the other party, j

#### **SECTION 24. PROVISIONS NOT MERGED WITH DEED.**

The provisions of this Agreement shall not be merged with the Deed, and the delivery of the Deed shall not be deemed to affect or impair the provisions of this Agreement.

#### **SECTION 25. HEADINGS.**

The headings of the various sections of this Agreement have been inserted for convenient reference only and shall not in any manner be construed as modifying, amending, or affecting in any way the express terms and provisions thereof.

#### **SECTION 26. ENTIRE AGREEMENT.**

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This Agreement constitutes the entire agreement between the parties and supersedes and replaces completely any prior agreements between the parties with respect to the subject matter hereof. This Agreement may not be modified or amended in any manner other than by supplemental written agreement executed by the parties.

#### **SECTION 27. SEVERABILITY.**

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

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#### **SECTION 28. NOTICES.**

Any notice, demand or communication required or permitted to be given hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) personal service; (b) facsimile transmission, provided that there is written confirmation of such communications; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

If to the City: City of Chicago

Department of Community Development 121 North LaSalle Street Room 1000-City Hall Chicago, Illinois 60602 Attn: Daniel Klaiber

With a copy to: City of Chicago

Department of Law

121 North LaSalle Street



Room 600

Chicago, Illinois 60602 Attn: Real Estate Division

Black on Black Love 1000 East 87th Street Chicago, Illinois 60619 Attn: Frances Wright

McDermott Will & Emery LLP 227 West Monroe Street, Suite 4700 Chicago, Illinois 60606 Attn: David P. DeYoe

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means, respectively, provided that such electronic dispatch is confirmed as having occurred prior to 5:00 p.m. on a business day. If such dispatch occurred after 5:00 p.m. on a business day or on a non-business day, it shall be deemed to have been given on the next business day. Any notice, demand or communication sent pursuant to clause (c) or clause (d) shall be deemed received upon receipt by the recipient or upon the refusal of the recipient to accept delivery as evidenced by the delivery records of the delivery service. The parties, by notice given here-under, may designate any further or different addresses to which subsequent notices, demands or communications shall be given.

#### **SECTION 29. ORGANIZATION AND AUTHORITY.**

The Developer represents and warrants that it is duly organized and validly existing

If to the Developer:

With a copy to:

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under the laws of the State of Illinois, with full power and authority, to acquire, own and redevelop the Property, and that the person signing this Agreement on behalf of the Developer has the authority to do so.

#### **SECTION 30. SUCCESSORS AND ASSIGNS.**

Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall apply to and bind the successors and assigns of the parties.

#### **SECTION 31. TERMINATION.**

I In the event that the Closing has not occurred by the Outside Closing Date, or any extensions thereof in DHED's sole discretion, defined herein, then the City may terminate this Agreement upon written notice to the Developer.

#### **SECTION 32. RECORDATION OF AGREEMENT.**

Either party may record this Agreement at the Office of the Cook County Recorder of Deeds. The party so choosing to record this Agreement shall pay the recording fees.

#### **SECTION 33. CONSENT AND APPROVAL.**

Except where otherwise specified, whenever the consent or approval, of the City is required hereunder, such consent or approval shall not be unreasonably withheld or delayed.

#### **SECTION 34. OTHER ACTS.**

The parties agree to perform such other acts and to execute, acknowledge and deliver such other instruments, documents and materials as may be reasonably necessary to consummate the transactions contemplated by this Agreement.

#### **SECTION 35. BUSINESS RELATIONSHIPS.**

The Developer acknowledges (1) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (2) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (3) notwithstanding anything to the contrary contained in this Agreement, that a violation of Section 2-156-030 (b) by an elected official, of 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. The Developer hereby represents and warrants that no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

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#### **SECTION 36. PATRIOT ACT CERTIFICATION.**

The Developer represents and warrants that neither the Developer nor any Affiliate thereof (as defined in the next paragraph) 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.

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

#### **SECTION 37. PROHIBITION ON CERTAIN CONTRIBUTIONS -MAYORAL EXECUTIVE ORDER NO. 05-1.**

Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Developer and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (1) after execution of this Agreement by Developer, (2) while this Agreement or any Other Contract is executory, (3) during the term of this Agreement or any Other Contract between Developer and the City, or (4) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Developer represents and warrants that from the later to occur of (1) February 10, 2005, and (2) the date the City approached the Developer or the date the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

*Developer agrees that it shall not: (1) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (2) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (3) Bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee. '*

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■Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 05-1.

Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 05-1 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and

default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 05-1 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

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

"Other Contract" means any other agreement with the City of Chicago to which Developer is a party that is (1) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (2) entered into for the purchase or lease of real or personal property; or (3) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

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

Individuals are "Domestic Partners" if they satisfy the following criteria:

1. they are each other's sole domestic partner, responsible for each other's common welfare; and
2. neither party is married; and
3. the partners are not related by blood closer than would bar marriage in the State of Illinois; and
4. each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and

5. two of the following four conditions exist for the partners:

v a. The partners have been residing together for at least 12 months, b. The partners have common or joint ownership of a residence.

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c. The partners have at least two of the following arrangements:

- i. joint ownership of a motor vehicle;
  - ii. a joint credit account;
  - iii. a joint checking account;
  - iv. a lease for a residence identifying both domestic partners as tenants.
- d. Each partner identifies the other partner as a primary beneficiary in a will.

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

### **SECTION 38. COOPERATION WITH OFFICE OF COMPLIANCE.**

In accordance with Chapter 2-26-101 et seq. of the Municipal Code, the Developer acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Executive Director of the Office of Compliance in connection with any activities undertaken by such office with respect to this Agreement, including, without limitation, making available to the Executive Director the department's premises, equipment, personnel, books, records and papers. The Developer agrees to abide by the provisions of Chapter 2-26-101 et seq.

### **SECTION 39. FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS WITH THE CITY.**

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

### **SECTION 40. INSPECTOR GENERAL AND LEGISLATIVE INSPECTOR GENERAL.**

It is the duty of every officer, employee, department, agency, contractor, subcontractor, developer and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with

the City's Legislative Inspector General and with the City's Inspector General in any investigation or hearing undertaken pursuant to Chapters 2-55 and 2-56, respectively, of the Municipal Code of Chicago. The Developer understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code of Chicago.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on as of the date first above written.

**CITY OF CHICAGO,**

an Illinois municipal corporation and home rule unit of government, acting by and through its Department of Housing and Economic Development

By:

Andrew J. Mooney Commissioner

**BLACK ON BLACK LOVE ORGANIZATION**

an Illinois not-for-profit corporation

By: Name: Its:

This instrument was prepared by: Steven Holler

Deputy Corporation Counsel Real Estate Division City of Chicago 121 North LaSalle Street Room 600  
Chicago, Illinois 60602 (312) 744-6934

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STATE OF ILLINOIS )

) ss.

COUNTY OF COOK )

I, a Notary Public in and for said County,

in the State aforesaid, do hereby certify that, 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 being first duly sworn by me acknowledged that as

, s/he signed and delivered the instrument pursuant to authority given by

the as his/her free and voluntary act and as the free and voluntary

act and deed of the, for the uses and purposes therein set forth.

GIVEN under my notarial seal this day of, 2011.

NOTARY PUBLIC

**r**

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STATE OF ILLINOIS )

)ss.

COUNTY OF COOK )

I, a Notary Public in and for said County,

in the State aforesaid, do hereby, certify that Andrew J/Mooney, personally known to me to be the

Commissioner of the Department of Housing and Economic Development of the City of Chicago, an Illinois municipal corporation, 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 being first duly sworn by me acknowledged that as the Commissioner, he signed and delivered the instrument pursuant to authority given by the City of Chicago, as his free and voluntary act and as the free and voluntary act and deed of the City, Tor the uses and purposes therein set forth.

GIVEN under my notarial seal this day of, 2011.

NOTARY PUBLIC

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**EXHIBIT A LEGAL DESCRIPTION OF PROPERTY**

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

[TO COME]

COMMONLY KNOWN AS: 8828 SOUTH STONY ISLAND AVENUE

CHICAGO, ILLINOIS 60619

PERMANENT INDEX NOS.: 25-02-215-028-0000

25-02-215-029-0000 25-02-215-030-0000 25-02-215-031-0000

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**EXHIBIT B SITE PLAN**

[SEE ATTACHMENT]

**31**

**EXHIBIT C FORM OF MBE/WBE BUDGET**

**Preliminary Budget Subject to Change**

Demolition 15,000

Site Prep 25,000

Hard Costs 153,600

Soft Costs 61,400

Total MBE/WBE Budget \$255,000

MBE Minimum (24%) \$61,200

WBE Minimum (4%) \$10,200

**32**

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**EXHIBIT D**

**GREEN BUILDING FEATURES, MATERIALS, AND TECHNIQUES Mechanicals**

1. High-efficiency RTU with non-ozone-depleting refrigerant.
2. On-demand, tankless hot water system.
3. EnergyStar replacement fluorescent light bulbs and LED bulbs where feasible.
4. Energy-efficient "water saver" plumbing fixtures (toilets and faucets).

**Finishes**

1. Low-VOC paint and caulking.
2. Recycled toilet partitions.
3. Low-E window film.
4. Recycled replacement acoustical ceiling tiles.
5. Green bio-base renewable vinyl tile and carpet.
6. Biodegradable mastics and cement. ^

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**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:**

**Check ONE of the following three boxes:**

**Indicate whether the Disclosing Party submitting this EDS is:**

**1. JS the Applicant**

**OR**

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

**OR**

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

B. Business address of the Disclosing Party:

C. Telephone: 77J'97?~Ofef Fax:Zff- Email: 7Ztffibo<J

D. Name of contact person:

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

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

G. Which City agency or department is requesting this EDS?. T^f/heiTheiCT^/dMi/U^

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

Specification #\_\_ and Contract #\_\_

Ver. 09-01-10

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## SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

### A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party: ☐ Person ☒ Limited liability company

☐ Publicly registered business corporation ☐ Limited liability partnership

☐ Privately held business corporation ☐ Joint venture

☐ Sole proprietorship ☐ Not-for-profit corporation

☐ General partnership (Is the not-for-profit corporation also a 501(c)(3))? ☐ Limited partnership

☐ No

☐ Trust ☐ Other (please specify)

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

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

☒ Yes ☐ No ytf.N/A

### B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.

NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

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

Titfc

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party.

Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

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**Black on Black Love Organization Board of Directors**

**Spencer Leak, Sr, Chairman of the Board**

**Frances Wright, President/CEO**

**Dr. Grace Dawson, Secretary**

**Milton E. Moses, Treasurer**

**Professor Timuel Black**

**Everett L. Edwards, II, Ed. D.**

**Lisa Caridine**

**Rev. Jeffrey Hodges**

**Dr. Jerry Johnson**

**Arthur L. Mooring**

**Attorney Byrdie Brownridge-Tucker**

**Frances Oden**

**Dr. Donald Pittman**

**Jeffrey Revere**

**Clinton M. Rhodes**

**Bertina M. Power-Stewart**

**Anderson Turner**

**Katrina Williams**

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

Name Business Address Percentage Interest in the

Disclosing Party

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

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

☐Yes ^No

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

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

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

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

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

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

*Sins Arrna-i*

(Add sheets if necessary)

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

## SECTION V - CERTIFICATIONS

### A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

☐ Yes

' [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

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

*[ ] Yes [ ] No*

### B. FURTHER CERTIFICATIONS

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

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**Section IV....Disclosure of Subcontractors and other retained parties:**

Contractor:

Architect:

Name

Gregory Enterprises, LTD 1833 Pheasant Court Flossmoor, Illinois 60422 708-527-5220

Triad Consortium Howard Garrison LTD Architect 2139 E. 87<sup>th</sup> Street Chicago, Illinois 60617 773-768-4141

**Fees: \$153,800**

**\$15,200**

Attorney:

Accountant:

McDermott Will & Emery LLP 227 West Monroe Street Chicago, Illinois 60606 312-984-7659

Townes & Associates, Inc. Accounting, Consulting, taxation 10249 South Halsted Street Chicago, Illinois 60628-1816

No Charge

**\$700/Per Month**

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

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

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

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

by it, or, with the Contractor, is under common control of another person or entity;

- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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

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

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

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

other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

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

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

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

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

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

conclusively presumed that the Disclosing Party certified to the above statements.

**C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION**

1. The Disclosing Party certifies that the Disclosing Party (check one)

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

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

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

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

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

**D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS**

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

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

[[is

[3 Yes

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

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

Does the Matter involve a City Property Sale?

es [[No V/Ar

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

Name Business Address Nature of Interest

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

## E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

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

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

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## SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

### A. CERTIFICATION REGARDING LOBBYING ^

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

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

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

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

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

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

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## B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

☐ Yes M. ☐ 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?

EJYes- ^ ☐ No

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

☐ Yes

4

☐ No

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

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

The Disclosing Party understands and agrees that:

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

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

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

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

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

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

The Disclosing Party represents and warrants that:

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

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

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

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

#### **CERTIFICATION**

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

***ftlMe- otJ l&fat Lode Ck^T^fr^***

**(Print or type name Ujf Disclosing Party)**

flPrint or type name of person signing)

Notary Public.

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

**APPENDIX A**

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS**

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

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

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

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

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.

[ ]Yes

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