



# 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 #:** O2011-3776, **Version:** 1

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

May 4, 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 parcels of real property commonly known as 1001-1011 W. 79th Street, Chicago, Illinois (P.I.N. 20-32-203-005 and P.I.N. 20-32-203-006) (subject to final title commitment and survey, the "City Land"); and

WHEREAS, pursuant to ordinances adopted by the City Council ("City Council") of the City of Chicago (the "City") on July 8, 1998 and published at pages 72438-72510 of the Journal of the Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (the "Plan") for the 79th Street Corridor Tax Increment Financing Redevelopment Project Area, (the "Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (currently codified at 65 ILCS 5/11-74.4-1 et seq.) (the "Act"), the Area was designated as a "conservation area" redevelopment project area pursuant to the Act, and tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, the City Land is located in the Area; and

WHEREAS, Lots of Love Community Center NFP, an Illinois not-for-profit corporation (the "Developer"), has submitted a proposal to the Department of Housing and Economic Development (the "Department") to purchase the City Land for One Hundred Ten Thousand and No/100 Dollars (\$ 110,000.00) such amount being the appraised fair market value of the Property with a parking lot and open space in perpetuity deed restrictions; and

WHEREAS, the Developer shall thereafter construct on the City Land two play lots and a parking lot, which shall be operated as accessory uses to the day care facility owned and operated by the Developer at the adjacent property located at 1015 W. 79th Street, Chicago, Illinois (the "Project"); and

WHEREAS, by Resolution No. 11-CDC-12, adopted on March 8, 2011, the Community Development Commission authorized the Department to advertise its intention to enter into a negotiated sale with the Developer for the redevelopment of the City Land consistent with the Plan, and approved the Department's request to advertise for alternative proposals; and

WHEREAS, public notices advertising the Department's intent to enter into a negotiated sale of the City Land with the Developer and requesting alternative proposals appeared in the Chicago Sun-Times on March 11, 2011, March 14, 2011 and March 21, 2011; and

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*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 CHICA GO:**

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

*SECTION 2. The sale of the City Land to the Developer for the adjusted fair market value amount of One Hundred Ten Thousand and No/100 Dollars (\$ 110,000.00) 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 A (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 or Deputy City Clerk is authorized to attest, a quitclaim deed conveying the Property to the Grantee. The quitclaim deed shall also contain language substantially in the following form:

This conveyance is subject to the express conditions that: 1) a parking lot is constructed and the open space is developed on the Property within eighteen (18) months of the date of this deed; and 2) the Property is used as a parking lot and as open space in perpetuity.

In the event that the conditions are not met, the City of Chicago may re-enter the Property and revest title in the City of Chicago. Grantee, at the request of the City of Chicago, covenants to execute and deliver to the City a reconveyance deed to the Property to further evidence such revesting of title.

This right of reverter and re-entry in favor of the City of Chicago shall terminate forty (40) years from the date of this deed.

Grantee's acceptance of such quitclaim deed shall be deemed to be Grantee's agreement to comply with such redevelopment obligations.

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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, including that certain ordinance authorizing the sale of the City Land to Eya's Community Services, Inc. adopted by the City Council on June 11, 2008, and published at pages 29249 through 29280 in the Journal of the Proceedings of the City Council of such date.

SECTION 6. This ordinance shall take effect immediately upon its passage and approval. Attachments: Exhibit A - Redevelopment Agreement

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## **EXHIBIT A REDEVELOPMENT AGREEMENT**

(ATTACHED)

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## **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**

("Agreement") is made on or as of the \_ day of \_ , 2011, by and between the

CITY OF CHICAGO, an Illinois municipal corporation ("City"), acting by and through its Department of Housing and Economic Development ("DHED"). having its principal offices at City Hall, 121 North LaSalle

Street, Chicago, Illinois 60602 and LOTS OF LOVE COMMUNITY CENTER NFP, an Illinois not-for-profit corporation ("Developer"), whose offices are located at 1015 W. 79th Street, Chicago, Illinois 60620.

#### **RECITALS**

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 parcels of land commonly known as 1001-1011 W. 79th Street, Chicago, Illinois, which are legally described on Exhibit A attached hereto (the "Property"); and "

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WHEREAS, the Property is located in the 79th Street Corridor Tax Increment Financing Redevelopment Project Area, which was established pursuant to ordinances adopted by the City Council of the City on July 8, 1998; and

WHEREAS, the Developer desires to purchase the Property from the City and construct thereon two play lots and a parking lot that shall be operated in perpetuity as accessory uses to the day care facility owned and operated by the Developer at the adjacent property located at 1015 W. 79th Street, Chicago, Illinois, as more fully described on Exhibit B attached hereto (the "Project"); and

WHEREAS, the City Council, pursuant to an ordinance adopted on \_\_, 2011, and published at pages \_\_ through \_\_ in the Journal of the Proceedings of the City Council of

s:RDA/LOTSOFLove

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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:

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

The foregoing recitals 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.**

The City hereby agrees to sell, and the Developer hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the Property, for the sum of One Hundred and Ten Thousand and 00/100 Dollars (\$110,000.00) ("Purchase Price" which represents the adjusted appraised fair market value of the Property to be paid to the City at the Closing (as defined in Section 4). Except as specifically provided herein to the contrary, the Developer shall pay all escrow fees and other title insurance fees and closing costs.

#### **SECTION 3. EARNEST MONEY AND PERFORMANCE DEPOSIT.**

3.1 Earnest Money. [INTENTIONALLY DELETED].

3.2 Performance Deposit. [INTENTIONALLY DELETED].

3.3 Interest. [INTENTIONALLY DELETED]

#### **SECTION 4. CLOSING.**

The closing of the transaction contemplated by this Agreement ("Closing") shall take place at the downtown offices of Greater Illinois Title Company ("Title Company"), 120 North LaSalle Street, Suite 900, Chicago, Illinois 60602, within thirty (30) days after the Developer has obtained all necessary zoning, building permits and other governmental approvals for the Project, as required pursuant to Section 9 hereof, or on such date and at such place as the parties mutually agree upon in writing (the "Closing Date"); provided, however, in no event shall the Closing occur (a) unless and until the Developer has satisfied all conditions precedent set forth in Section 9 hereof, unless the Commissioner of DHED, in his sole discretion, waives such conditions, and (b) any later than December 31, 2011 the "Outside Closing Date"), unless the Commissioner of DHED, in his sole discretion, extends such Outside Closing Date by not more than six (6) months. On or before the Closing Date,

the City shall deliver to the Title Company the Deed, (as defined in Section 5.1 below) all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement.

s:RDA/LOTSOFLOVE

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## **SECTION 5. CONVEYANCE OF TITLE.**

5.1 Form of Deed. The City shall convey the Property to the Developer, by quitclaim deed ("Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of such deed, the following:

- (a) the 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;
- (d) such other title defects as may exist;
- > (e) any and all exceptions caused by the acts of the Developer or its agents;
- (f) a deed covenant restricting the Property to the uses permitted under Section 14 below, which covenants shall run with the land in perpetuity.

5.2 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.

## **SECTION 6. TITLE AND SURVEY.**

6.1 The Developer acknowledges that the City has delivered to the Developer a commitment for an owner's policy of title insurance for the Property, Order No. 004401689, with an effective date of October 4, 2010 issued by Greater Illinois Title Company (the "Title Commitment"), showing the City in title to the Property. The Developer shall be solely responsible for and shall pay all costs associated with updating the Title Commitment (including all search, continuation and later-date fees), and obtaining any title insurance, extended coverage or other endorsements it deems necessary. The Developer shall also be solely responsible for and shall pay all costs associated with obtaining any survey it deems necessary.

6.2 The City shall use reasonable efforts to obtain the waiver or release of any delinquent real estate tax liens on the Property prior to the Closing, to the extent such tax liens can be waived or released through submission of an abatement letter to the Cook County Treasurer or a motion to vacate a tax sale. 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 exceptions-that would adversely affect the use and insurability of the Property for the development of the Project, 'the Developer shall have the option to do one of the following: (a) accept title to the Property subject to the exceptions,

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without reduction in the Purchase Price; or (b) terminate this Agreement by delivery of written notice to the City at least fourteen (14) days prior to the Closing Date, in which event the City shall return the Earnest Money (if any) and Performance Deposit (if any) to the Developer, 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 all exceptions. The Developer shall also be responsible for all taxes accruing after the Closing.

## **SECTION 7. BUILDING PERMITS AND OTHER GOVERNMENTAL APPROVALS.**

The Developer shall apply for all necessary building permits and other required permits and approvals for the construction of the Project prior to the Closing Date, unless DHED, in its sole discretion, extends such application date, and shall pursue such permits and approvals in good faith and with all due diligence.

## **SECTION 8. PROJECT BUDGET AND PROOF OF FINANCING.**

The total budget for the Project as of the date of this Agreement is estimated to be Two Hundred Forty Two Thousand Two Hundred and 00/100 Dollars (\$242,200) (the "Preliminary Project Budget"! Not less than fourteen (14) days prior to the Closing Date, the Developer shall submit to DHED for approval a final project budget materially consistent with the Preliminary Project Budget ("Budget") and evidence of funds adequate to

finance the purchase of the Property and the construction of the Project ("Proof of Financing"). The Proof of Financing shall include binding commitment letters from the Developer's lenders, if any, and evidence of the Developer's ability to make an equity contribution in the amount of any gap in financing.

#### **SECTION 9. CONDITIONS TO THE CITY'S OBLIGATION TO CLOSE.**

The obligations of the City under this Agreement are contingent upon the delivery or satisfaction of each of the following items at least fourteen (14) days prior to the Closing Date, unless another time period is specified below:

9.1 Final Governmental Approvals. The Developer shall deliver to the City evidence of all building permits, zoning and other final governmental approvals necessary to construct the Project.

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

9.3 *Simultaneous Loan Closing.* *On the Closing Date, the Developer shall simultaneously close all financing approved pursuant to Section 9.2, and be in a position to j*

- immediately commence construction of the Project.

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9.4 Insurance. The Developer shall deliver to the City evidence of insurance reasonably acceptable to the City. The City shall be named as an additional insured on all liability insurance policies and as a loss payee (subject to the prior rights of any first mortgagee) on all property insurance policies from the Closing Date through the date the City issues a Certificate of Completion (as defined in Section 13 below) for the Project. 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.

9.5 Legal Opinion. The Developer shall deliver to the City a legal opinion in a form reasonably acceptable to the City.

9.6 Due Diligence. The Developer shall deliver to the City due diligence searches in its name (UCC liens, state and federal tax liens, pending suits 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 Corporation Counsel.

9.7 Organization and Authority Documents. The Developer shall deliver to the City the Developer's articles of incorporation, including all amendments thereto, as furnished and certified by the Illinois Secretary of State; the bylaws of the Developer, as certified by the secretary of the Developer; or resolutions authorizing the Developer to execute and deliver this Agreement and any other documents required to complete the transaction contemplated by this Agreement and to perform its obligations under this Agreement; a certificate of good standing from the Illinois Secretary of State dated no more than thirty (30) days prior to the Closing; and such other authority and organizational documents as the City may reasonably request.

9.8 Subordination Agreement. Prior to recording any mortgage approved pursuant to Section 9.2, the Developer shall deliver to the City a subordination agreement in a form reasonably acceptable to the City (the "Subordination Agreement").

9.9 MBE/WBE. City Residency Hiring and Prevailing Wage Compliance Plan. - The Developer and the Developer's general contractor and all major subcontractors shall meet with staff from DHED regarding compliance with the MBE/WBE, city residency hiring, prevailing wage and other requirements set forth in Section 23, and at least seven (7) days prior to the Closing Date, the City shall have approved the Developer's compliance plan in accordance with Section 23.4.

9.10 Representations and Warranties. On the Closing Date, each of the representations and warranties of the Developer in Section 24 and elsewhere in this Agreement shall be true and correct.

9.11 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 and when required under this Agreement.  
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If any of the conditions in this Section 9 have not been satisfied to DHED's reasonable satisfaction within the time periods provided for herein, or waived by DHED in writing, DHED 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, in which event 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 DHED in exercising its right to terminate this Agreement upon a default hereunder shall not be construed as a waiver of such right.

#### **SECTION 10. CONSTRUCTION REQUIREMENTS.**

10.1 Drawings. The Developer shall construct the Project on the Property in substantial accordance with the site plan and other drawings substantially attached hereto as Exhibit C, and in accordance the final plans and specifications prepared by Buhlwork Design Guild, dated April 20, 2011 which have been approved by DHED and which are incorporated herein by this reference (collectively, "Drawings"). No material deviation from the Drawings may be made without the prior written approval of DHED. If the Developer submits and DHED approves revised site plans or architectural drawings after the date of this Agreement, the term "Drawings" as used herein shall refer to the revised site plans and architectural drawings upon DHED's written approval of the same.

10.2 Relocation of Utilities, Curb Cuts and Driveways. The Developer shall be solely responsible for and shall pay all costs associated with: (a) the relocation, installation or construction of public or private utilities, curb cuts and driveways; (b) the repair or reconstruction of any curbs, vaults, sidewalks or parkways required in connection with or damaged as a result of the Developer's construction of the Project; (c) the removal of existing pipes, utility equipment or building foundations; and (d) the termination of existing water or other services. The City shall have the right to approve any streetscaping provided by the Developer as part of the Project, including, without limitation, any paving of sidewalks, landscaping and lighting.

10.3 City's Right to Inspect Property. *For the period commencing on the Closing Date and continuing through the date the City issues a Certificate of Completion (as defined in Section 13 below), 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").*

10.4 Barricades. Prior to the commencement of any construction activity requiring barricades, the Developer shall install barricades of a type and appearance satisfactory to the City and constructed in compliance with all applicable Laws. DHED shall have the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all

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*barricades, which approval shall not be unreasonably withheld or delayed. The Developer shall erect all barricades so as not to interfere with or affect any bus stop or train station in the vicinity of the Property.* >

10.5 Survival. The provisions of this Section 10 shall survive the Closing.

#### **SECTION 11. LIMITED APPLICABILITY.**

Any approval given by DHED pursuant to this Agreement 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 such approval constitute an approval of the quality, structural soundness or safety of any improvements located or to be located on the Property, or the compliance of said improvements with any Laws, private covenants, restrictions of record, or any agreement affecting the Property or any part thereof.

#### **SECTION 12. COMMENCEMENT AND COMPLETION OF PROJECT.**

The Developer shall commence construction of the Project no later than May 1, 2012, and shall complete the Project (as evidenced by the issuance of a Certificate of Completion) no later than September 30, 2012; provided, however, DHED, in its sole discretion, may extend the construction commencement and completion dates one-time by up to six months. The Developer shall give written notice to the City within five (5) days after it commences construction. The Developer shall construct the Project in accordance with the Drawings, and all Laws and covenants and restrictions of record.

### **SECTION 13. CERTIFICATE OF COMPLETION.**

Upon completion of the Project, the Developer shall request that the City inspect the improvements, which request shall be accompanied by a Certificate of Substantial Completion from the project architect in substantially the form attached hereto as Exhibit D. Within forty-five (45) days after receipt of a Request for Inspection and the accompanying Certificate of Substantial Completion, the City shall inspect the Project to determine whether it is substantially complete (i.e., complete except for punch list items) and constructed in accordance with this Agreement, and shall thereafter deliver to the Developer either a Certificate of Completion ("Certificate of Completion") or a Developer either a Certificate of Completion ("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 opinion of the City, for the Developer to take or perform in order to obtain the Certificate of Completion. If the City requires additional measures or acts to assure compliance, the Developer shall have thirty (30) days to correct any deficiencies and resubmit a Request for Inspection. The Certificate of Completion shall be in recordable form, and shall, upon recording, constitute a conclusive determination of satisfaction and termination of the covenants in this Agreement and the Deed with respect to the Developer's obligations to construct the Project. The Certificate of Completion shall not, however, constitute

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evidence that the Developer has complied with any Laws relating to the construction of the Project, nor shall it serve as any guaranty as to the quality of the construction.

### **SECTION 14. RESTRICTIONS ON USE.**

The Developer agrees that it:

14.1 Shall in perpetuity use the Property only to construct the Project and thereafter for use only as play lots and parking as accessory uses to the Developer's operation of a day care facility building located at 1015 W. 79th Street. In no instance shall the Property be sold separate from the day care facility building located at 1015 W. 79th Street, or leased for commercial purposes, or otherwise used for a purpose other than such accessory uses.

14.2 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 or the Project or any part thereof. The Developer acknowledges and agrees that the use restrictions set forth in this Section 14 constitute material, bargained-for consideration for the City, and that, but for such use restrictions, the City would not have agreed to convey the Property to the Developer.

### **SECTION 15. PROHIBITION AGAINST SALE OR TRANSFER OF PROPERTY.**

Prior to the issuance of the Certificate of Completion for the Project: (a) neither the Developer nor any owner of the Developer may, without the prior written consent of DHED, which consent shall be in DHED's sole discretion, directly or indirectly sell, transfer or otherwise dispose of the Property or any part thereof or any interest therein; and (b) neither the Developer nor any owner of the Developer may, without the prior written consent of DHED, which consent shall be in DHED's sole discretion, directly or indirectly assign this Agreement. The Developer and its owners acknowledge and agree that DHED may withhold its consent under (a) or (b) above if, among other reasons, the proposed purchaser, transferee or assignee (or such entity's principal officers or directors) is in violation of any Laws, or if the Developer fails to submit sufficient evidence

of the financial responsibility, business background and reputation of the proposed purchaser, transferee or assignee. If the Developer is a business entity, no principal party of the Developer (e.g., a general partner, member, manager or shareholder) may sell, transfer or assign any of its interest in the entity prior to the issuance of the Certificate of Completion to anyone other than another principal party, without the prior written consent of DHED, which consent shall be in DHED's sole discretion.

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#### **SECTION 16. LIMITATION UPON ENCUMBRANCE OF PROPERTY.**

Prior to the issuance of the Certificate of Completion, neither the Developer nor any of its owners shall, without DHED's prior written consent, which shall be in DHED's sole discretion, engage in any financing or other transaction which would create an encumbrance or lien on the Property, except for the acquisition and construction financing approved pursuant to Section 9.2 hereof.

#### **SECTION 17. 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 obligated to construct or complete the Project, or to guarantee such construction or completion, but shall be bound by the covenants running with the land specified in Section 18, and, unless waived by the City in writing, shall execute a Subordination Agreement (as defined in Section 9.8). 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, 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 18.

#### **SECTION 18. COVENANTS RUNNING WITH THE LAND.**

The parties agree, and the Deed shall so expressly provide, that the covenants provided in Section 12 (Commencement and Completion of Project), Section 14 (Restrictions on Use), Section 15 (Prohibition Against Sale or Transfer of Property) and Section 16 (Limitation Upon Encumbrance of Property) will be covenants running with the land, binding on the Developer and its successors and assigns (subject to the limitation set forth in Section 17 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 Sections 12, 15 and 16 shall terminate upon the issuance of the Certificate of Completion. The covenants contained in Section 14.1 and Section 14.2 shall not terminate but shall run with the land in perpetuity.

#### **SECTION 19. PERFORMANCE AND BREACH.**

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

19.2 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, without limitation, acts of God, acts of the public enemy, acts of the United States government, fires, floods, epidemics, quarantine restrictions, strikes, embargoes and unusually severe weather or delays of subcontractors due to such causes. The time for the performance of the obligations

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shall be extended only for the period of the delay and only if the Developer requests an extension in writing within twenty (20) days after the beginning of any such delay.

19.3 Cure. If the Developer defaults in the performance of its obligations under this Agreement, the Developer shall have sixty (60) days after written notice of default from the City to cure the default, or such longer period as shall be reasonably necessary to cure such default provided the Developer promptly commences such cure and thereafter diligently pursues such cure to completion (so long as continuation of the default does not create

material risk to the Project or to persons using the Project). Notwithstanding the foregoing, no notice or cure period shall apply to defaults under Sections 19.4(c), (e) and (g).

<sup>rs</sup> 19.4 Event of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" under this Agreement:

- (a) The Developer makes or furnishes a warranty, representation, statement or certification to the City (whether in this Agreement, an Economic Disclosure Statement, or another document) that is not true and correct.
- (b) A petition is filed by or against the Developer under the Federal Bankruptcy Code or any similar state or federal law, whether now or hereafter existing, which is not vacated, stayed or set aside within thirty (30) days after filing.
- (c) The Developer fails to complete the Project in accordance with the time line outlined in Section 12 above, or the Developer abandons or substantially suspends construction of the Project, or ceases to operate the day care center at 1015 W. 79<sup>th</sup> Street.
- (d) The Developer fails to pay real estate taxes or assessments affecting the Property or any part thereof when due, or places thereon any encumbrance or lien unauthorized by this Agreement, or suffers or permits any levy or attachment, mechanic's, laborer's, material supplier's, or any other lien or encumbrance unauthorized by this Agreement to attach to the Property unless bonded or insured over.
- (e) The Developer makes an assignment, pledge, unpermitted financing, encumbrance, transfer or other disposition in violation of this Agreement.
- (f) There is a material and adverse change in the Developer's financial condition or operations.
- (g) The Developer fails to close by the Outside Closing Date, unless DHED, in its sole discretion, extends the Outside Closing Date, as permitted under Section 4.
- (h) The Developer fails to perform, keep or observe any of the other covenants, conditions, promises, agreements or obligations under this Agreement or any other written agreement entered into with the City with respect to the Project.

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19:5 Prior to Closing. If an Event of Default occurs prior to the Closing, and the default is not cured in the time period provided for in Section 19.3 above, the City may terminate this Agreement.

19.6 After Closing. If an Event of Default occurs after the Closing but prior to the issuance of the Certificate of Completion, and the default is not cured in the time period provided for in Section 19.3 above, the City may terminate this Agreement and exercise any and all remedies available to it at law or in equity, including, without limitation, the right to re-enter and take possession of the Property, terminate the estate conveyed to the Developer, and revest title to the Property in the City (the "Right of Reverter"); provided, however, the City's Right of Reverter shall be limited by, and shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement.

19.7 Resale of the Property. Upon the revesting in the City of title to the Property as provided in Section 19.6, the City may complete the Project or convey the Property, subject to any first mortgage lien, to a qualified and financially responsible party reasonably acceptable to the first mortgagee, who shall assume the obligation of completing the Project or such other improvements as shall be satisfactory to DHED, and otherwise comply with the covenants that run with the land as specified in Section 18.

19.8 Disposition of Resale Proceeds. If the City sells the Property as provided for in Section 19.7. the net proceeds from the sale, after payment of all amounts owed under any mortgage liens authorized by this Agreement in order of lien priority, shall be utilized to reimburse the City for:

- (a) costs and expenses incurred by the City (including, without limitation reasonable attorney's fees and salaries of personnel) in connection with the recapture, management and resale of the Property (less any income derived by the City from the Property in connection with such management); and

- (b) all unpaid taxes, assessments, and water and sewer charges assessed against the Property; and
- (c) any payments made (including, without limitation, reasonable attorneys' fees and court costs) to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Developer; and
- (d) any expenditures made or obligations incurred with respect to construction or maintenance of the Project; and
- (e) 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.

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## **SECTION 20. CONFLICT OF INTEREST; CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.**

The Developer represents and warrants that no agent, official or employee of the City shall have any personal interest, direct or indirect, in the Developer, this Agreement, the Property or the Project, 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 corporation, partnership, association or other entity 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 with respect to any commitment or obligation of the City under the terms of this Agreement.

## **SECTION 21. 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) suffered or incurred by the City arising from or in connection with: (a) the failure of the Developer to perform its obligations under this Agreement; (b) the failure of the Developer or any contractor or other agent, entity or individual acting under the control or at the request of the Developer ("Agent") to pay contractors, subcontractors or material suppliers in connection with the construction and management of the Project; (c) any misrepresentation or omission made by the Developer or any Agent; (d) the failure of the Developer to redress any misrepresentations or omissions in this Agreement or any other agreement relating hereto; and (e) any activity undertaken by the Developer or any Agent on the Property prior to or after the Closing. This indemnification shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

## **SECTION 22. INSPECTION; CONDITION OF PROPERTY AT CLOSING.**

22.1 "As Is" Sale. The City makes no covenant, representation or warranty, express or implied, of any kind, as to the structural, physical or environmental condition of the Property or the suitability of the Property for any purpose whatsoever, and the Developer agrees to accept the Property in its "as is," "where is" and "with all faults" condition.

22.2 Right of Entry.

(a) The Developer's obligations hereunder are conditioned upon the Developer being satisfied with the condition of the Property for the construction, development and operation of the Project. Upon the Developer's request, the City shall grant the Developer the right, at its sole cost and expense, to enter the Property for a period of thirty (30) days (the "Inspection Period") pursuant to a Right of Entry Agreement in form and substance reasonably acceptable to the City

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to inspect the same, perform surveys, environmental assessments, soil and any other due diligence it deems necessary or desirable to satisfy itself as to the condition of the Property.

(b) If the Developer determines that it is not satisfied, in its sole discretion, with the condition of the Property, the Developer may terminate this Agreement by written notice to the City within thirty (30) days after the expiration of the Inspection 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. If the Developer elects not to terminate this Agreement pursuant to this Section 22.2, the Developer shall be deemed satisfied with the condition of the Property.

22.3 Indemnity. The Developer hereby waives and releases, and indemnifies the City from and against, any claims and liabilities relating to or arising from the structural, physical or environmental condition of the Property, including, without limitation, claims arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), and shall undertake and discharge all liabilities of the City arising from any structural, physical or environmental condition that existed on the Property prior to the Closing, including, without limitation, liabilities arising under CERCLA. The Developer hereby acknowledges that, in purchasing the Property, the Developer is relying solely upon its own inspection and other due diligence activities and not upon any information (including, without limitation, environmental studies or reports of any kind) provided by or on behalf of the City or its' agents or employees with respect thereto. The Developer shall perform such studies and investigations, conduct such tests and surveys, and engage such specialists as the Developer deems appropriate to evaluate fairly the structural, physical and environmental condition and risks of the Property. If, after the Closing, the structural, physical and environmental condition of the Property is not in all respects entirely suitable for its intended use, it shall be the Developer's sole responsibility and obligation to take such action as is necessary to put the Property in a condition which is suitable for its intended use. The provisions of this Section 22.3 shall survive the Closing.

### **SECTION 23. DEVELOPER'S EMPLOYMENT OBLIGATIONS.**

23.1 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 or occupation of the Property:

(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 the foregoing grounds,

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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 the foregoing grounds.

(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), both as amended from time to time, and any regulations promulgated thereunder.

(d) The Developer, in order to demonstrate compliance with the terms of this Section 23.1 shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(e) 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 23.1 shall be a basis for the City to pursue remedies under the provisions of Section 19.

### 23.2 City Resident Employment Requirement.

(a) The Developer agrees, and shall contractually obligate each Employer to agree, that during the construction of the Project, the Developer 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); 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 in both unskilled and skilled labor positions.

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(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 developed by the chief procurement officer 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) The Developer and the Employers shall submit weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) to 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 Developer or Employer hired the employee should be written in after the employee's name.

(f) The Developer and the Employers shall provide full access to their employment records to the chief procurement officer, 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 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 23.2 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 23.2 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 23.2. If such non-compliance is not remedied in accordance with the breach and cure provisions of Section 19.3, the parties agree that 1/20 of 1 percent (.05%) of the aggregate hard construction costs set forth in the Budget shall be surrendered by the Developer and for the Employers to the City in payment for each percentage

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of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject 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 23.2 to be included in all construction contracts and subcontracts related to the construction of the Project.

23.3 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:

(1) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "construction Program," and collectively with the Procurement Program, the "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 23.3, during the course of construction of the Project, at least 24% of the aggregate hard construction costs, as set forth in Exhibit E hereto (the "MBE/WBE Budget") shall be expended for contract participation by minority-owned businesses and at least 4% of the MBE/WBE Budget shall be expended for contract participation by women-owned businesses.

(2) For purposes of this Section 23.3 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.

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(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.

(3) 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 WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture, or (ii) the amount of any actual work performed on the Project by the MBE or WBE); by 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 23.3. 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.

(4) The Developer shall deliver quarterly reports to the City's monitoring staff during the 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 the 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 the construction of the Project for at least five (5) 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 five (5) 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 the construction of the Project.

(5) Upon the disqualification of any MBE or WBE general contractor or subcontractor, if the disqualified party misrepresented such status, 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 (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

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(6) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 23.3 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

23.4 Pre-Construction Conference and Post-Closing Compliance Requirements. Not less than fourteen (14) days prior to the Closing Date, the Developer and the Developer's general contractor and all major subcontractors shall meet with DHED monitoring staff regarding compliance with all Section 23 requirements. During this pre-construction meeting, the Developer shall present its plan to achieve its obligations under this Section 23, the sufficiency of which the City's monitoring staff shall approve as a precondition to the Closing. During the construction of the Project, the Developer shall submit all documentation required by this Section 23 to the City's monitoring staff, including, without limitation, the following: (a) subcontractor's activity report; (b) contractor's certification concerning labor standards and prevailing wage requirements; (c) contractor letter of understanding; (d) monthly utilization report; (e) authorization for payroll agent; (f) certified payroll; (g) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (h) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 23, 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: (x) issue a

written demand to the Developer to halt construction of the Project, (y) withhold any further payment of any City funds to the Developer or the general contractor, or (z) seek any other remedies against the Developer available at law or in equity.

#### **SECTION 24. REPRESENTATIONS AND WARRANTIES.**

24.1 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:

(a) The Developer is a not-for-profit corporation duly organized, 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.

(b) 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.

(c) 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

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to which the Developer, or any party affiliated with the Developer, is a party or by which the Developer or the Property is bound.

(d) 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 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:

(i) affect the ability of the Developer to perform its obligations hereunder; or (ii) materially affect the operation or financial condition of the Developer.

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

24.2 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.

24.3 Survival of Representations and Warranties. Each of the parties agrees that all of / its representations and warranties set forth in this Section 24 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.

#### **SECTION 25. 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; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

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If to the City: City of Chicago

*Department of Housing and Economic Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602*

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With a copy to:

City of Chicago Department of Law 121 North LaSalle Street, Suite 600  
Chicago, Illinois 60602 Attn: Real Estate and Land Use Division

If to the Developer:

To the Address in the Preamble

With a copy to:

Mark Edelstein Edelstein and Edelstein, PC 3825 West Montrose Avenue Chicago, Illinois 60618

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmed transmission by facsimile, respectively, provided that such facsimile transmission is confirmed as having occurred prior to 5:00 p.m. on a business day. If such transmission 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 given pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given. The refusal to accept delivery by any party or the inability to deliver any communication because of a changed address of which no notice has been given in accordance with this Section 25 shall constitute delivery.

#### **SECTION 26. BUSINESS RELATIONSHIPS.**

The Developer acknowledges (a) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (b) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) notwithstanding anything to the contrary contained in this Agreement, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated

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hereby. The Developer hereby represents and warrants that no violation of Section 2-145-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

#### **SECTION 27. PATRIOT ACT CERTIFICATION.**

The Developer represents and warrants that neither the Developer nor any Affiliate (as hereafter defined) thereof 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 Laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. As used in this Section 27. 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 the 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 28. PROHIBITION ON CERTAIN CONTRIBUTIONS - MAYORAL EXECUTIVE ORDER NO. 05-1.**

28.1 The Developer agrees that the Developer, any person or entity who directly or indirectly has an ownership

or beneficial interest in the Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, the Developer's contractors (i.e., any person or entity in direct contractual privity with the 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 (the 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 (a) after execution of this Agreement by the Developer, (b) while this Agreement or any Other Contract (as hereinafter defined) is executory, (c) during the term of this Agreement or any Other Contract, or (d) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to February 10, 2005, the effective date of Executive Order 2005-1.

28.2 The Developer represents and warrants that from the later of (a) February 10, 2005, or (b) 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.

28.3 The Developer agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the

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Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

28.4 The 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.

28.5 Notwithstanding anything to the contrary contained herein, the Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Section 28 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, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

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

28.7 For purposes of this provision:

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

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

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

(d) Individuals are "domestic partners" if they satisfy the following criteria:

(i) they are each other's sole domestic partner, responsible for each other's common welfare; and

(ii) neither party is married; and

(iii) the partners are not related by blood closer than would bar marriage in the State of Illinois; and

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(iv) 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

(v) two of the following four conditions exist for the partners:

(1) The partners have been residing together for at least 12 months.

(2) *The partners have common or joint ownership of a residence.* <sup>l</sup>

(3) The partners have at least two of the following arrangements:

(A) joint ownership of a motor vehicle;

(B) joint credit account;

(C) a joint checking account;

(D) a lease for a residence identifying both domestic partners as tenants.

(4) Each partner identifies the other partner as a primary beneficiary in a will.

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

## **SECTION 29. MISCELLANEOUS.**

The following general provisions govern this Agreement:

29.1 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

29.2 Cumulative Remedies. The remedies of any party hereunder are cumulative and the exercise of any one or more of such remedies shall not be construed as a waiver of any other remedy herein conferred upon such party or hereafter existing at law or in equity, unless specifically so provided herein.

29.3 Date for Performance. If the final date of any time period set forth herein falls on a Saturday, Sunday or legal holiday under the laws of Illinois or the United States of America, then such time period shall be automatically extended to the next business day.

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29.4 Entire Agreement; Modification. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreements, negotiations and discussions. This Agreement may not be modified or amended in any manner without the prior written consent of the parties hereto. No term of this Agreement may be waived or discharged orally or by any course of dealing, but only by an instrument in writing signed by the party benefited by such term.

29.5 Exhibits. All exhibits referred to herein and attached hereto shall be deemed part of this Agreement.

29.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

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

29.8 No Merger. The terms 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 terms of this Agreement.

29.9 No Waiver. No waiver by the City with respect to any specific default by the Developer shall be deemed to be a waiver of the rights of the City with respect to any other defaults of the Developer, nor shall any forbearance by the City to seek a remedy for any breach or default be deemed a waiver of its rights and remedies with respect to such breach or default, nor shall the City be deemed to have waived any of its rights and remedies unless such waiver is in writing.

29.10 Severability. If any term of this Agreement or any application thereof is held invalid or unenforceable, the remainder of this Agreement shall be construed as if such invalid part were never included herein and this

Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

29.11 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 30. COOPERATION WITH OFFICE OF COMPLIANCE.**

In accordance with Chapter 2-26-100 et s\_\_\_\_. 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,

s:RDA/LOTSOFLOVE

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books, records and papers. The Developer agrees to abide by the provisions of Chapter 2-26-110 et seq..

*(Signature Page Follows)*

s:RDA/LOTSOFLOVE

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

CITY OF CHICAGO, an Illinois municipal corporation, acting by and through its Department of Housing and Economic Development

By: \_

Andrew J. Mooney Commissioner,  
Department of Housing and Economic Development

**LOTS OF LOVE COMMUNITY CENTER NFP,**  
an Illinois not-for-profit corporation

By: \_

Name: \_

Its:

THIS INSTRUMENT PREPARED BY, AND AFTER RECORDING, PLEASE RETURN TO:

Real Estate Division Department of Law City of Chicago

121 North LaSalle Street, Suite 600 Chicago, Illinois 60602 (312) 744-6934

s:RDA/LOTSOFLOVE

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STATE OF ILLINOIS )

) SS.

COUNTY OF COOK )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Andrew J. Mooney, the Commissioner of the Department of Housing and Economic Development of the City of Chicago, an Illinois municipal corporation, 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 said Commissioner, he signed and delivered the foregoing 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 said municipal corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this \_ day of \_, 2011.

NOTARY PUBLIC

STATE OF ILLINOIS )

) SS.

COUNTY OF COOK )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do

hereby certify that \_\_, the \_\_ of Lots'of Love Community Center NFP, an Illinois not-for-profit corporation, 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 s/he signed and delivered the foregoing instrument pursuant to authority given by said not-for-profit corporation, as her/his free and voluntary act and as the free and voluntary act and deed of said not-for-profit corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this \_\_ day of \_\_, 2011.

NOTARY PUBLIC

s:RDA/LOTSOFLOVE

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**EXHIBIT A LEGAL DESCRIPTION OF PROPERTY**

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

COMMONLY KNOWN AS: 1001-1011 West 79th Street

CHICAGO, ILLINOIS

PERMANENT INDEX NOS. 20-32-203-005-0000, 20-32-203-006-0000

s:RDA/LOTSOFLOVE

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**EXHIBIT B**

**NARRATIVE DESCRIPTION OF PROJECT**

The Developer shall redevelop two city lots into play lots enclosed by a six foot wooden fence and a nineteen space parking lot enclosed with ornamental metal fencing. The City Land shall also be landscaped in accordance with the City's landscape ordinance. The Developer shall also make certain facade improvements to the day care facility located at 1015 W. 79th Street. The improvements shall be in accordance with the preliminary drawings attached as Exhibit C.

s:RDA/LOTSOFLOVE

11

**EXHIBIT C**

**PRELIMINARY DRAWINGS**

[TO COME]

s

s:RDA/LOTSOFLOVE

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**EXHIBIT D**

**CERTIFICATE OF SUBSTANTIAL COMPLETION**

City of Chicago

Department of Housing and Economic Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Tamra Collins

Re: Lots of Love Community Center NFP 1001-1011 W. 79th Street Chicago, Illinois

This will certify that the play lots and parking lot improvements at the above-referenced location has been substantially completed in accordance with the plans and specifications provided to the City prepared by ■\_ and dated \_\_, 201\_\_.

[PROJECT ARCHITECT]

By: \_

Its:

s:RDA/LOTSOFLOVE

iv

**EXHIBIT E**

**MBE/WBE BUDGET**

[TO COME]

s:RDA/LOTSOFLOVE

**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:**

**he legal name of the  
icate**

**1. R] the Applicant**

**OR**

**2. ( ) a legal entity holding a direct or indirect interest in the Applicant. State Applicant in which the Disclosing Party holds an interest: \_**

**OR**

**3. [ ] a legal entity with a right of control (see Section 11.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control:**

**B. Business address of the Disclosing Party: JdJf IA/. "7≤j+<sup>1</sup> if'-A**

**CUcaa\*: X/. 6062 0**

**'V-**

**C. Telephone: 773-109-Fax: m ■ 163 -3729 Email: last c|+ 1(3\*)& Co\***

**D. Name of contact person; R.o6lq. U/njkf-**

**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):**

**/(tjoliJtJ CA/\* fis PtJj fit Si /AD/ - ft>// bJ. 79**

**G. Which City agency or department is requesting this EDS?.**

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

**Specification #.**

**and Contract #**

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**Page 1 of 13**

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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**

**] Publicly registered business corporation**

**] Privately held business corporation**

**] Sole proprietorship**

**] General partnership**

**] Limited partnership**

**] Trust**

**[ ] Limited liability company [ ] Limited liability partnership [ ] Joint venture Dd^Not-foNprofit corporation (U the not-for-profit corporation jalso a 501(c)(3))?**

**^Yes [ ] N »**

**[ ] 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 business in the State of Illinois as a foreign entity?

☐ Yes ☐ No ☐ N/A

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

is registered to do

business

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

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

Name

Title

of the entity, are legal entities. If entities, list below

, limited liability managing member. Disclosing Party.

or the

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

Page 2 of 13

a direct or Party. Examples of joint venture,

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

of a trust, 154-030 of the additional information

Name

Business Address

Percentage Interest Disclosing Party

in the

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

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

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

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

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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Page 3 of 13

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**Name (indicate whether Business Relationship to Disclosing Party Fees (indicate whether retained or anticipated Address (subcontractor, attorney, paid or estimated.) NOTE:**

to be retained) lobbyist, etc.) "hourly rate" or "t.b.d." is

not an acceptable response.

(Add sheets if necessary)

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

## SECTION V - CERTIFICATIONS

### A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

[ ] Yes

[ ] No 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.

Page 4 of 13

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

a.

b.

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; (local)

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

of a criminal (onnection with: transaction or statutes; fraud; ; making false

are not presently indicted for, or criminally or civilly charged by, a governmental state or local) with committing any of the offenses set forth in clause B.2.b

d.

e.

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

have not, within a five-year period preceding the date of this EDS, been coivicted guilty, or found liable in a civil proceeding, or in any criminal or civil actio i concerning environmental violations, instituted by the City or by the federa 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 connection with the Matter, including but not limited to all persons or legal entities Section IV, "Disclosure of Subcontractors and Other Retained Parties"); «any "Affiliated Entity" (meaning a person or entity mat, directly or indirectly Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing common control of another person or entity. Indicia of control include, without interlocking management or ownership; identity of interests among family menjbers and equipment; common use of employees; or organization of a business entity foil ineligibility of a business entity to do business with federal or state or local gov srament the City, using substantially the same management, ownership, or principals with respect to Contractors, the term Affiliated Entity means a person or entity indirectly controls the Contractor, is controlled by it, or, with the Contractor, is hinder control of another person or entity:

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

entity (federal, of this Section V;

or more public

, adjudged , including actions government, any

Party in disclosed under

controls the Party, under limitation:

, shared facilities owing the

, including ineligible entity); hat directly or common

as the

Entity or any Affiliated Entity, Disclosing Party, any

Page 5 of 13

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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 9)S is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractoj during the five years before the date of such Contractor's or Affiliated Entity's

contract or engagement: Matter:

in connection with the

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

or attempting to subvert the agency of the federal government, in that officer's

agreed or colluded with other bidders or prospective bidders, or been a party to, or been convicted or adjudged guilty of agreement or prospective bidders, in restraint of freedom of competition by agreement otherwise; or

participated in any such collusion among bidders or to fix a fixed price 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 agents or partners, is barred from contracting with any unit of state or local government engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/3-3E 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 maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury Bureau of Industry and Security of the U.S. Department of Commerce or their successors Designated Nationals List, the Denied Persons List, the Unverified List, the Entity 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 its Certifications, the Disclosing Party must explain below:

*tl*

employees, officials,

as a result of ; (2) bid-rotating in States of

following lists or the : the Specially List and the

this Part B (Further

Page 6 of 13

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

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

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

☐ is not

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

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

of the

"We are not and will not become a predatory lender as defined in Chapter 2-32 Code. We further pledge

that none of our affiliates is, and none of them will become lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming lender or becoming an affiliate of a predatory lender may result in the loss of the business with the City."

Municipal, a predatory or a predatory privilege of doing

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):

pledges:

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.

the same

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official of the City have a financial interest in his or her own name or in the name of any entity in the Matter? ☐ Yes ☐ No

☐ Yes ☐ No

official or employee of the person or

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.

Page 7 of 13

checked "No" to

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

Does the Matter involve a City Property Sale?

☐ Yes ☐ No

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

Name

Business Address

Nature of Interest

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

#### E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

I,

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 Disclosing Party has found records of investments or profits from slavery or slaveholder policies. The Disclosing Party verifies that the following constitutes full disclosure records, including the names of any and all slaves or slaveholders described in

! tep 1 above, the insurance of all such 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 funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated 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);

Is not federally

by the City

(If no explanation appears or begins on the lines above, or if the letters "NA" or i appear, it will be conclusively presumed that the Disclosing Party means that NO registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts Disclosing Party with respect to the Matter.)

if the word "None" persons or entities on behalf of the

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

, as defined by , or an employee of a , making any , continue, renew,

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

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

in section in section mgage in "Lobbying

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain c< form and substance to paragraphs A.1. through A.4. above from all subcontractor subcontract and the Disclosing Party must maintain all such subcontractors' certifications duration of the Matter and must make such certifications promptly available to the

rtifications equal in before it awards any for the City upon request.

Page 9 of 13

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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 ☐ No If "Yes," answer the three questions below:

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

☐ Yes ☐ No

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

☐ Yes ☐ No

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

☐ Yes ☐ No

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

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

The Disclosing Party understands and agrees that:

will

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

become part of any the Matter, whether the City's execution Party understands that

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

Page 10 of 13

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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 any contract or other agreement in connection with which it is submitted may be voidable, and the City may pursue any remedies under the contract or agreement void), at law, or in equity, including terminating the Disclosing Party's participation declining to allow the Disclosing Party to participate in other transactions with the law for a false statement of material fact may include incarceration and an award damages.

or inaccurate, rescinded or be void or f not rescinded or in the Matter and/or City. Remedies at 5 the City of treble

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

Act request, or releases any possible i ilease of information in brmation submitted

E. The information provided in this EDS must be kept current. In the event of changes Party must supplement this EDS up to the time the City takes action on the Mattel contract being bandied by the City's Department of Procurement Services, the Dii closing update this EDS as the contract requires.

NOTE: With respect to Matters subject to Chapter 1-23 ofthe Municipal Code (imposing PERMANENT INELIGIB1LIT ' offenses), the information provided herein regarding eligibility must be kept curreyit as required by Chapter 1 -23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F. I. The Disclosing Party is not delinquent in the payment of any tax administe Department of Revenue, nor are the Disclosing Party or its Affiliated Entities deli lquent fine, fee, tax or other charge owed to the City. This includes, but is not limited to sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Parry is the Applicant, the Disclosing Party and its Affiliated use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. o Parties List System ("EPLS") maintained by the U. S. General Services Administi ition

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

, the Disclosing If me Matter is a Party must Article I of for certain specified for a longer period, ed by the Illinois

in paying any all water charges,

Entities will not the federal Excluded

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any

equal in written consent of the

or that the certifications.

Page 11 of 13

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**NOTE: If the Disclosing Party cannot certify as to any ofthe 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 ofthe Disclosing Party, and (2) warrants that all**

certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

(Print or type name of Disclosing Party) (Sphere) )f\

(Print or type name of person signing)

(Print or type title of person signing)

Signed and sworn to before me on (date) /f /oH7j j, at (Z0/?£- County, J?VC^ (st/te). /

Commission expires: f^P/!^

Notary Public.

OFFICIAL SEAL SHIRLEY OWTKJNS NOTARY PUBUC-STATE OF UWOffi

Page 12 of 13

## CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

### APPENDIX A

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

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

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

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

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

[ ] Yes ^ No

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

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EXISTING PROPERTY LINE  
EXISTING 10'-0" PAVED PUBLIC ALLEY  
PROPOSED SITE PLAN  
SCALE  
S. MORGAN AVE.

'NEW CATCH AT PARKING

## SEWER PROFILE

NOT TO SCALE

•CITY COMBINED SEWER

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**STATE OF ILLINOIS)**  
)SS  
**COUNTY OF COOK)**  
**CERTIFICATE**

I, Robert Wolf, the duly authorized and qualified Assistant Secretary of the Community Development Commission of the City of Chicago, and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a Resolution adopted by the Community Development Commission of the City of Chicago at a Regular Meeting held on the 8<sup>th</sup> Day of March 2011 with the original resolution adopted at said meeting and noted in the minutes of the Commission, and do hereby certify that said copy is a true, correct and complete transcript of said Resolution.

**Dated this 8<sup>th</sup> Day of March 2011**

**Robert Wolf**

**II-CDC-12**

NEGOTIATED SALE Revised 10/05

**COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO**  
**RESOLUTION NO.II-CDC- '12.**

**AUTHORIZATION TO ENTER INTO A NEGOTIATED SALE WITH LOTS OF LOVE**  
**COMMUNITY CENTER FOR DISPOSITION OF THE PROPERTY LOCATED AT 1001 to 1011 W. 79**  
**<sup>th</sup> Street WITHIN THE 79<sup>th</sup> STREET CORRIDOR TIF REDEVELOPMENT PROJECT AREA**

WHEREAS, Chapter 2-124 of the Municipal Code of the City of Chicago (the "City") established the Community Development Commission (the "Commission"); and

WHEREAS, the 79<sup>th</sup> Street Corridor TIF Redevelopment Area (the "Redevelopment Area") was approved by the City Council on March 9, 1998; and

WHEREAS, the City owns the property located at 1001-1011 W. 79<sup>th</sup> Street having the Property Identification Number(s) (PrNs) 20-32-203-005 and 006 (the "Property") and desires that it be redeveloped for a parking and play lot and

WHEREAS, staff of the Department of Housing and Economic Development of the City of Chicago (the "Department") have entered into discussions with Lots of Love Community Center (the "Developer") concerning the sale of the Property for the development of a parking and play lot; and

WHEREAS, the Developer has submitted a project budget and evidence of having the financial capacity to complete the project, and the staff of the Department have reviewed these and found them to be satisfactory; and

WHEREAS, the Developer has proposed to pay \$110,000 as consideration for the purchase of the Property, subject to deed restrictions for open space and parking in perpetuity, and

WHEREAS, staff of the Department have determined that the Developer's proposal conforms to the Plan; and

WHEREAS, the Department intends that a public notice inviting alternative development proposals be published at least once for three consecutive weeks in at least one Chicago metropolitan newspaper; and

WHEREAS, it is required that such alternative proposals describe the general plan for redevelopment of the Property, the names of the party or parties making the proposal, the price offered, evidence of financial qualifications and capacity to complete the redevelopment, the timetable for implementation, and that alternative proposals be received in writing within 30 days of the date of first publication of the public notice by the Department; and

WHEREAS, the sale of the Property will be subject to City Council approval; now, therefore,

**IT IS HEREBY RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE**  
**CITY OF CHICAGO:**

Section 1. The Department of Housing and Economic Development is hereby

authorized to advertise its intent to negotiate a sale with the Developer for disposition of the Property pursuant to the terms described herein and to request alternative proposals for redevelopment.

Section 2. Alternative proposals must be submitted in writing to Andrew J. Mooney, Acting Commissioner, Department of Housing and Economic Development, ATTN: Tamra Collins, City Hall-Room 1003, 121 N. LaSalle Street, Chicago, Illinois 60602, within 30 days of the date of the first publication of the public notice and shall contain the names of the parties, price offered for the Property, evidence of financial capacity, and a timetable for redevelopment before said proposal will be considered.

Section 3. In the event that no responsive alternative proposals are received at the conclusion of the advertising period, or if alternative proposals are received and the Department of Housing and Economic Development in its sole discretion determines that it is in the best interest of the City to proceed with the pending proposal, then the sale of the land described herein to the Developer shall be recommended to the City Council without further Commission action subject to the following terms:

**Address**

1001-1011 W. 79<sup>th</sup> St

Total

**P.I.N**

20-32-203-005, 20-32-203-006

**Size-sf**

14,375 sq ft

**Price**

\$110,000

\$110,000

Section 4. The Chairman of the Commission is authorized to transmit a certified copy of this resolution to the City Council of the City of Chicago.

**ADOPTED: U^O^I \*& ,2Q I [**