# City of Chicago

O2022-2016

## Office of the City Clerk

## Document Tracking Sheet

| | |
|---|---|
| **Meeting Date:** | 6/22/2022 |
| **Sponsor(s):** | Lightfoot (Mayor) |
| **Type:** | Ordinance |
| **Title:** | Redevelopment and sale agreement with Englewood Connect LLC for three phase project of Englewood Mall Area property "as-is" and partial right-of-way vacation of S Green St to rehabilitate historic firehouse as commercial kitchen/event space (Phase 1A), public gathering/landscape spaces (Phase 1-B), construction of community building for local businesses (Phase 1-C), with financial assistance of City Funds and Tax Increment Financing (TIF) at 6204 S Green St, 6215-6217 S Green St |
| **Committee(s) Assignment:** | Committee on Finance |

OFFICE OF THE MAYOR

CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

June 22, 2022

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

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith ordinances authorizing the execution of tax increment financing redevelopment agreements with various entities.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Lori E. Lightfoot

Mayor

# ORDINANCE

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

**WHEREAS**, pursuant to an ordinance adopted by the City Council ("City Council") of the City on November 29, 1989, a certain redevelopment plan and project (the "Original Redevelopment Plan") for the Englewood Mall Redevelopment Project Area (the "Englewood Mall Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"); and

**WHEREAS**, pursuant to an ordinance adopted by the City Council on November 29, 1989, the Englewood Mall Area was designated as a redevelopment project area pursuant to the Act; and

**WHEREAS**, pursuant to an ordinance adopted by the City Council on November 29, 1989 (the "Englewood Mall TIF Ordinance"), tax increment allocation financing was adopted pursuant to the Act as a means of financing certain redevelopment project costs, as defined in the Act, incurred pursuant to the Englewood Mall Plan and Project as defined hereinafter and directed that the allocation of ad valorem taxes arising from levies by taxing districts upon the taxable real property in the Englewood Mall Area and tax rates be divided in accordance with the Act and as described in the Englewood Mall TIF Ordinance; and

**WHEREAS**, the Original Redevelopment Plan was amended by ordinances adopted on December 17, 2008 and November 13, 2013 (the "Amendments"); and

**WHEREAS**, the Original Redevelopment Plan, as amended by the Amendments, is referred to hereinafter as the Englewood Mall Plan and Project (the "Englewood Mall Plan and Project"); and

**WHEREAS**, the City is the owner of the real property and improvements located with the Englewood Mall Area at 6204 and 6215-6217 South Green Street, Chicago, Illinois 60621, as legally described on Exhibit A attached hereto (the "Property"); and

**WHEREAS**, the Property includes a portion of South Green Street, a north-south oriented 66-foot public right of way, as depicted in Exhibit B attached hereto (the "ROW"); and

**WHEREAS**, the City Council, by separate ordinance, will authorize the vacation of the ROW; and

**WHEREAS**, upon recordation of a certified vacation ordinance and Plat of Vacation, the ROW will become part of the Property by operation of law; and

**WHEREAS**, Englewood Connect, LLC, an Illinois limited liability company (the "Developer") intends to purchase the Property and plans to commence and complete the rehabilitation of the existing historic firehouse into a commercial kitchen and event space (" Phase 1A"), development of a public plaza with landscape features and gathering areas ("Phase

1B"), and construction of an approximately 8,000 square foot community space featuring local businesses ("Phase 1C"; together with Phase 1A and Phase 1B and related improvements, the "Project"); and

**WHEREAS**, the Developer proposes to undertake the Project in accordance with the Englewood Mall Plan and Project; and

**WHEREAS**, the City, through its Department of Planning and Development ("DPD"), issued a Request for Proposals ("RFP") for the Property (referred to in the RFP as Package B1/B2) and an adjacent site (referred to in the RFP as Package C) for sale to the public as part of the City's INVEST South/West initiative, pursuant to the following timeline:

| | |
|---|---|
| August 24, 2020 | RFP Released |
| August 26, 2020 | Sun Times Announcement of RFP Release Published |
| September 16, 2020 | RFP Pre-Bid Conferences |
| November 24, 2020 | RFP Due Date (4 responses received) |
| Jan 25, 2021 | Community Presentation |
| Jan 28, 2021 | Community Presentation |
| March 8, 2021 | Selection |

**WHEREAS**, DPD received four (4) submissions in response to the RFP; and

**WHEREAS**, the responding development entities are identified and their proposals briefly described in Exhibit C attached hereto and incorporated herein; and

**WHEREAS**, DPD evaluated the proposals on the basis of the criteria set forth in the RFP and determined that the proposal submitted by the Developer best satisfied the goals and objectives of the RFP for the Property (Package B1/B2); and

**WHEREAS,** pursuant to Resolution 22-CDC-24 adopted by the Community Development Commission of the City of Chicago (the "Commission") on June 14, 2022, the Commission has recommended that the Developer be designated as the developer for the Project and that the Department of Planning and Development be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Developer for the Project; and

**WHEREAS**, pursuant to Resolution No. 22-020-21 adopted on June 16, 2022, the Chicago Plan Commission approved the City's disposition of the Property; and

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

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

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

**SECTION 3**. The sale of the Property to the Developer in the amount of $1.00 is hereby approved. This approval is expressly conditioned upon the City entering into a redevelopment

agreement with the Developer in substantially the form attached hereto as Exhibit D and made a part hereof (the "Redevelopment Agreement"). The Commissioner of DPD (the "DPD Commissioner"), or a designee of the DPD Commissioner, is each hereby authorized, with the approval of the Corporation Counsel, to negotiate, execute and deliver the Redevelopment Agreement and such other documents as may be necessary or appropriate to carry out and comply with the provisions of this ordinance and the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement. Such documents may contain terms and provisions that the DPD Commissioner or a designee of the DPD Commissioner deems appropriate, including indemnification, releases, affidavits and other documents as may be necessary to remove exceptions from title with respect to the Property.

**SECTION 4**. The Mayor or the Mayor's proxy is each hereby authorized to execute, and the City Clerk or the Deputy City Clerk is each hereby authorized to attest, a quitclaim deed or deeds conveying all right, title and interest of the City in and to the Property, subject to those covenants, conditions and restrictions set forth in the Redevelopment Agreement.

**SECTION 5**. 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 6.** All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

**SECTION 7.** This ordinance shall be in full force and effect immediately upon its passage and approval.

**Exhibit A to the Ordinance**

**Legal Description of Property**

PARCEL 1 (PHASE 1A AND PHASE 1B):

THAT PART OF LOT 3 IN HALSTED PARKWAY RESUBDIVISION, BEING A RESUBDIVISION OF PART OF THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED ON MARCH 30, 2015 AS DOCUMENT 1508916071, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 3; THENCE NORTH 01 DEGREES 31 MINUTES 47 SECONDS WEST, ALONG AND EAST LINE OF SAID LOT 3, A DISTANCE OF 62.85 FEET TO A POINT ON THE SOUTH LINE OF S. GREEN STREET, SAID POINT ALSO BEING A NORTHEAST CORNER OF SAID LOT 3; THENCE SOUTH 88 DEGREES 28 MINUTES 13 SECONDS WEST, ALONG A NORTH LINE OF SAID LOT 3 AND THE SOUTH LINE OF SAID S. GREEN STREET, 66.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 88 DEGREES 28 MINUTES 13 SECONDS WEST, ALONG THE WESTERLY EXTENSION OF THE LAST DESCRIBED LINE, 316.55 FEET TO A POINT ON A WESTERLY LINE OF SAID LOT 3; THENCE ALONG WESTERLY, SOUTHERLY, NORTHERLY AND EASTERLY LINES OF SAID LOT 3 FOR THE NEXT EIGHT COURSES; THENCE NORTHEASTERLY 144.06 FEET, ALONG THE ARC OF A NON-TANGENT ARC TO THE RIGHT, HAVING A RADIUS OF 211.17 FEET AND A CHORD BEARING NORTH 28 DEGREES 17 MINUTES 02 SECONDS EAST 141.29 FEET TO A POINT ON A NON-TANGENT CURVE; THENCE WESTERLY 22.98 FEET, ALONG THE ARC OF A NON-TANGENT ARC TO THE RIGHT, HAVING A RADIUS OF 138.00 FEET AND A CHORD BEARING NORTH 56 DEGREES 17 MINUTES 53 SECONDS WEST, 22.95 FEET TO A POINT OF TANGENCY; THENCE NORTH 51 DEGREES 31 MINUTES 41 SECONDS WEST, 18.78 FEET; THENCE NORTH 38 DEGREES 28 MINUTES 19 SECONDS EAST, 20.00 FEET; THENCE SOUTH 51 DEGREES 31 MINUTES 41 SECONDS EAST, 18.78 FEET TO A POINT OF CURVATURE; THENCE SOUTHEASTERLY 82.36 FEET, ALONG THE ARC OF A TANGENT ARC TO THE LEFT, HAVING A RADIUS OF 118.00 FEET AND A CHORD BEARING SOUTH 71 DEGREES 31 MINUTES 21 SECONDS EAST, 80.69 FEET TO A POINT OF TANGENCY; THENCE NORTH 88 DEGREES 29 MINUTES 00 SECONDS EAST, 176.38 FEET; THENCE SOUTH 01 DEGREES 31 MINUTES 41 SECONDS EAST, 123.50 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (PHASE 1C):

LOTS 23 THROUGH 26, BOTH INCLUSIVE IN EHRLER & HESSERT'S SUBDIVISION OF THE NORTH 5-1/3 ACRES OF THE SOUTH 9-1/2 ACRES OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST SECTION 17, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING THEREFROM LOTS 6 AND 7 IN HALSTED PARKWAY RESUBDIVISION RECORDED ON MARCH 30, 2015 AS DOCUMENT 1508916071) IN COOK COUNTY, ILLINOIS.

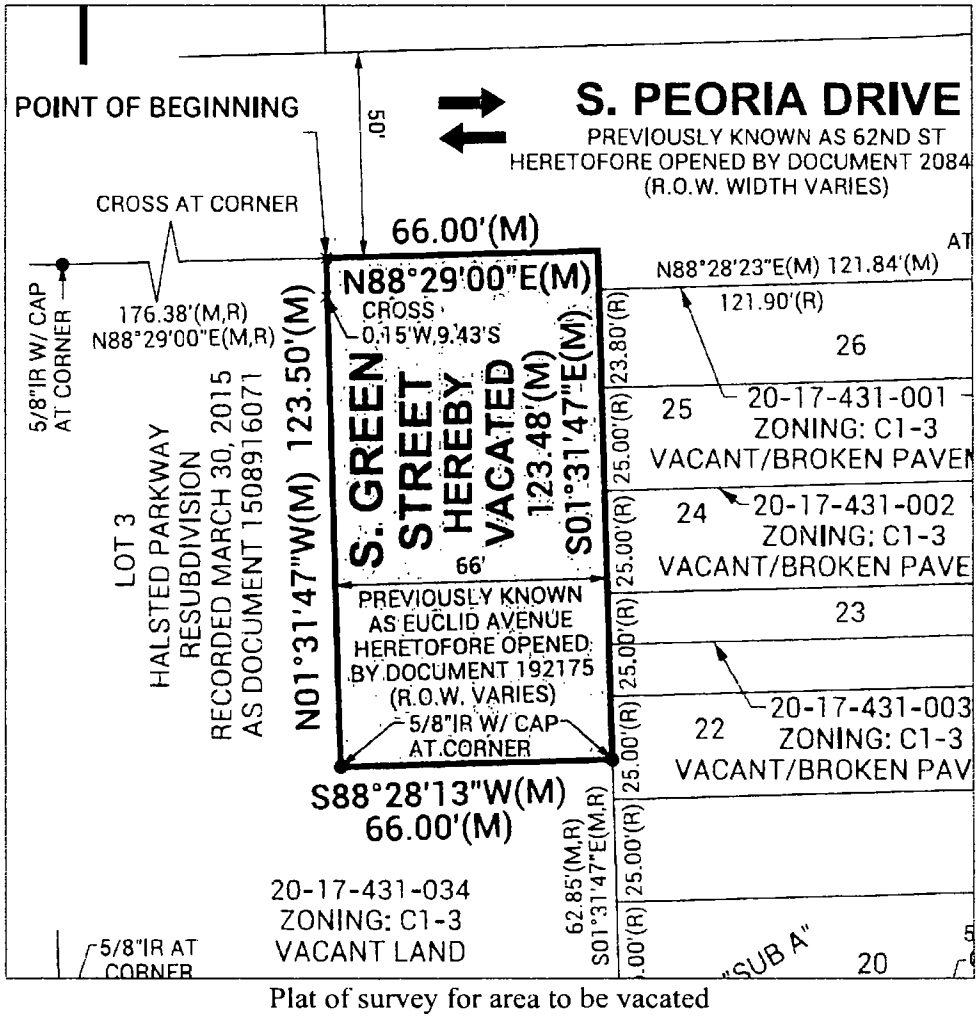
PINS: 20-17-431-034 (portion)
20-17-431-001
20-17-431-002

**Exhibit B to the Ordinance**

**Description of ROW**

(Attached)

View southeasterly across to-be-vacated portion of S. Green Street




Plat of survey for area to be vacated

**Exhibit C to the Ordinance**

**Summary of Proposals**

(Attached)

# INVEST South/West RFP Summary

## Englewood – 63rd & Halsted ISW Corridor

DPD

DPD@cityofchicago org

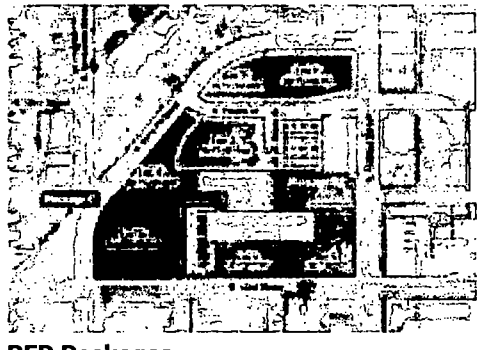
## Englewood Square Phase II

### Site Description:

Englewood Square has long been the heart of the Englewood Community Recent community engagement has reiterated a key recommendation of two decades of community plans Englewood Square must continue its transformation into a revitalized "Town Square" for the Englewood community This translates into an expansion of the commercial uses of Englewood Square Phase I, including neighborhood retail, professional services, and community-focused establishments

**Historic Englewood Square**

At the center of this new mixed-use district will be the transformed landmark firehouse site, reimagined as a community hub including dining, market-place, business incubator, and more The adaptive reuse of the historic structure will be partnered with adjacent new development supporting the site's community and commercial uses This site also offers the opportunity to create the physical realization of the "Town Square" - a flexible public open space well-suited for public programming, public art, and events



**RFP Packages**

The site is divided into distinct development packages to allow for phased development Bidders were directed to select a single package, based on limited City resources available to support redevelopment

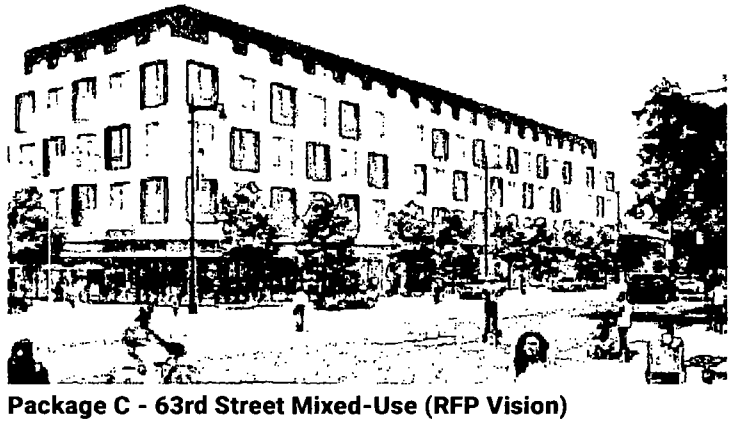
**Package B1/B2** includes the historic firehouse The development framework included in the RFP envisioned the reuse of the firehouse as a retail / community hub, with adjacent supporting commercial / retail development

**Package C** extends along 63rd Street and 63rd Parkway The development framework envisioned a mixed-use building with ground floor retail defining the 63rd Street corridor and upper floors of affordable residential units

**Package B1/B2 - Firehouse Site (Existing)**

**Package B1/B2 - Firehouse Site (RFP Vision)**

**Package C - 63rd Street Mixed-Use (Existing)**



**Package C - 63rd Street Mixed-Use (RFP Vision)**

# INVEST South/West RFP Proposal Summary

**Site – Englewood, Package B1 & B2**

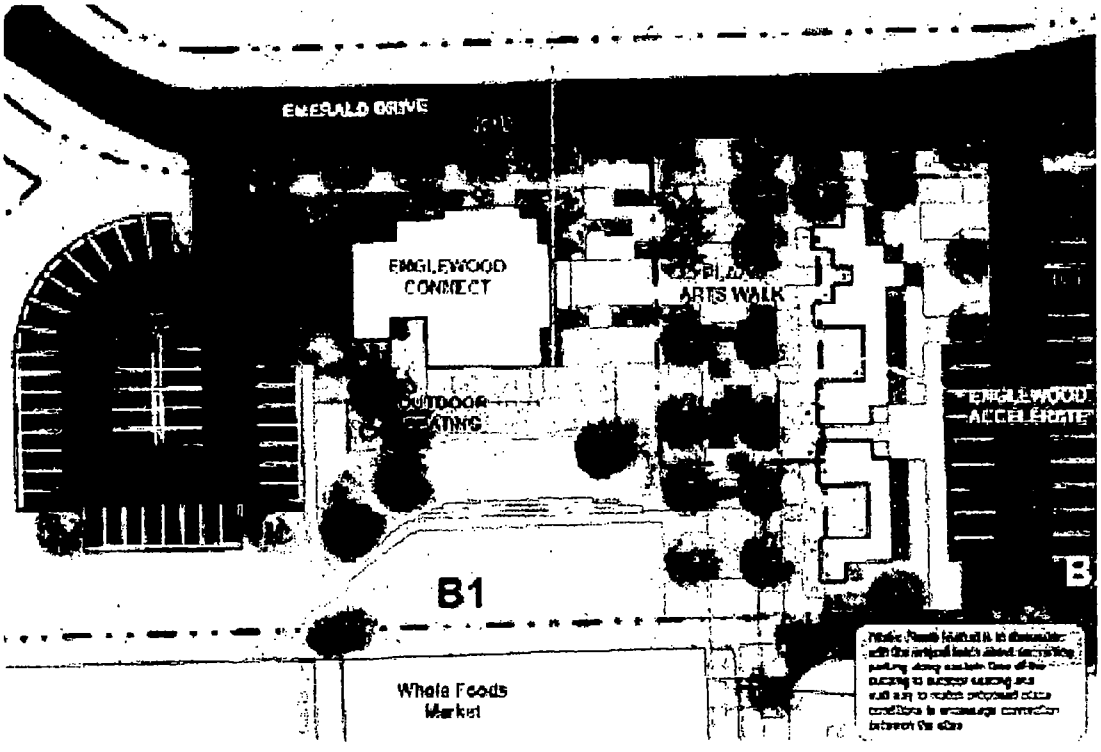
DPD

DPD@cityofchicago.org

## Englewood Connect (Ignite)

**Project Description:**

Englewood Connect is an adaptive reuse of the landmarked firehouse, a Container Market, art walk and community open space. The first floor of the Firehouse will be divided into a coffee shop, a full-service kitchen, and dining area. The second floor will be redeveloped into a highly tech-enabled coworking space. The adjacent proposed Container Market will add an additional 3,200 sq ft of usable space.




**Development Team:**

Ignite Technology and Innovation, Inc. (minority-owned)

DL3 Realty (MBE pending)

**Design Team:**

Lamar Johnson Collab.

Latent Design (WBE/MBE)

Site Design (MBE)

SpaceCo

Engage Civil (MBE)

Rubinos & Mesia (MBE)

dbHMS (MBE)

Level-1 (MBE)

Pioneer Engineering

**Pre-Construction Team:**

CLAYCO

Powers & Sons (minority-owned)

**Community Partners:**

E G Woode

Entrepreneur Success Program

**Proposed Uses:**

Coffee Shop / Food Hall (first floor of Firehouse): 4,300 sf

Entrepreneurial Hub (second floor of Firehouse): 3,400 sf

Accelerate Container Market: 3,200 sf

Open Space: 25,000+ sf

| Total Development Size: | Commercial SF: |
|---|---|
| 12,200 sf | 12,200 sf |
| **Total Housing Units:** | **Affordable Units:** |
| N/A | N/A |

# INVEST South/West RFP Proposal Summary

**Site - Englewood, Package B1 & B2**

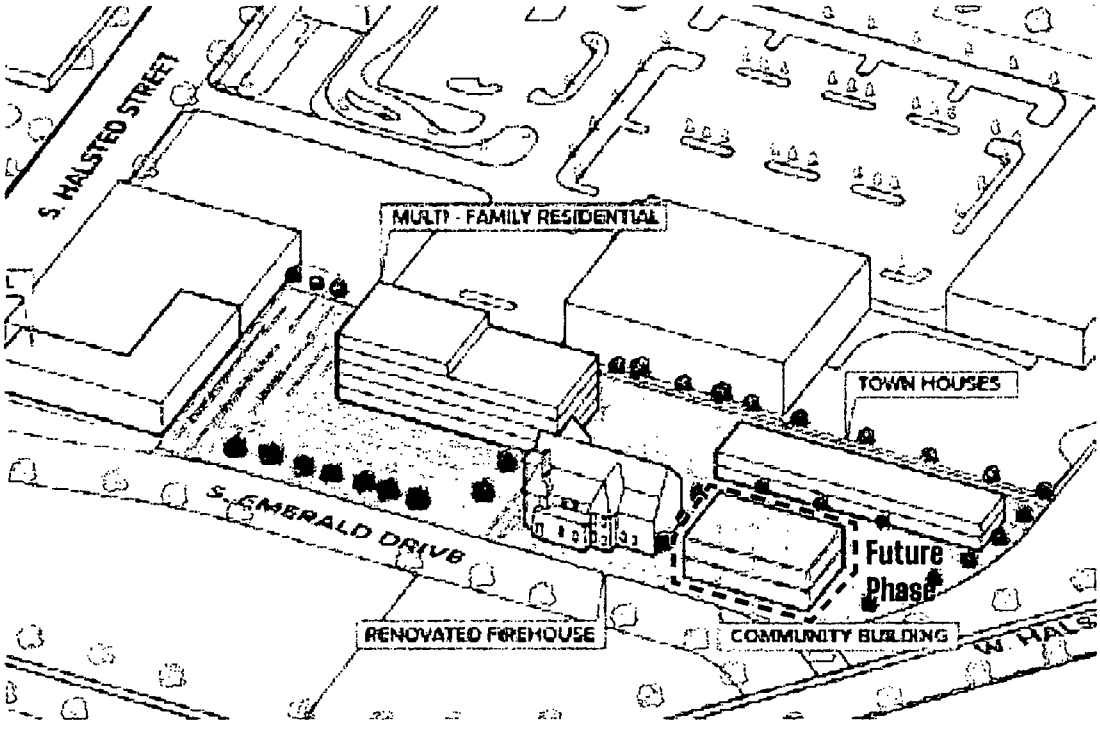
DPD

DPD@cityofchicago org

## Imagine Englewood

**Project Description:**

Mixed-use development including a 40-unit multi-family residential building, a 10-unit townhouse building, commercial space, a public plaza, community garden, renovation of the historic firehouse into a culinary business incubator, and 40 total parking spaces A potential future Community Building is also laid out in the site plan, pending available future funds.




**Development Team:**

Imagine Group (MBE)

East Lake Management & Development (minority-owned)

**Design Team:**

JGMA (MBE)

Beehyyve (MBE)

Roderick/Ardmore (MBE)

TGDA (W/DBE)

**Construction Team:**

GMA (MBE/VBE)

Burling Builders, Inc. (minority-owned)

**Community Partners:**

Sports Shed

360 Mind Body Soul

AYO Foods

WaKanna

Grow Greater Englewood

**Proposed Uses:**

Culinary Incubator (firehouse): 9,000sf

Retail (at WIC building): 4,000 sf

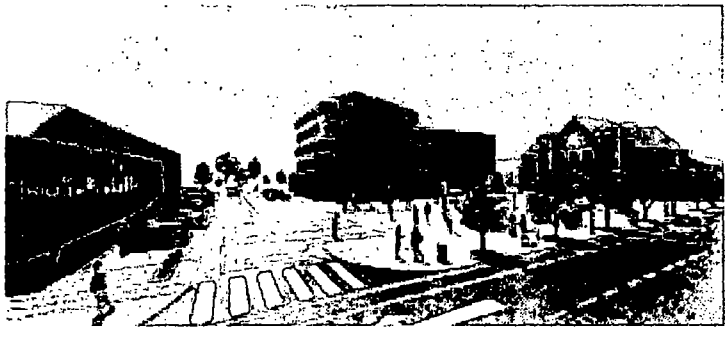
Townhouses: 12,600 sf / 10 units

Multi-Family: 44,925 sf / 40 units

Plaza/Courtyard: 21,400 sf

Community Garden: 3,300 sf

| Total Development Size: | Commercial SF: |
|---|---|
| 70,500 sf | 13,000 sf |
| **Total Housing Units:** | **Affordable Units:** |
| 50 | 50 |



# INVEST South/West RFP Proposal Summary

**Site - Englewood, Package B1 & B2**

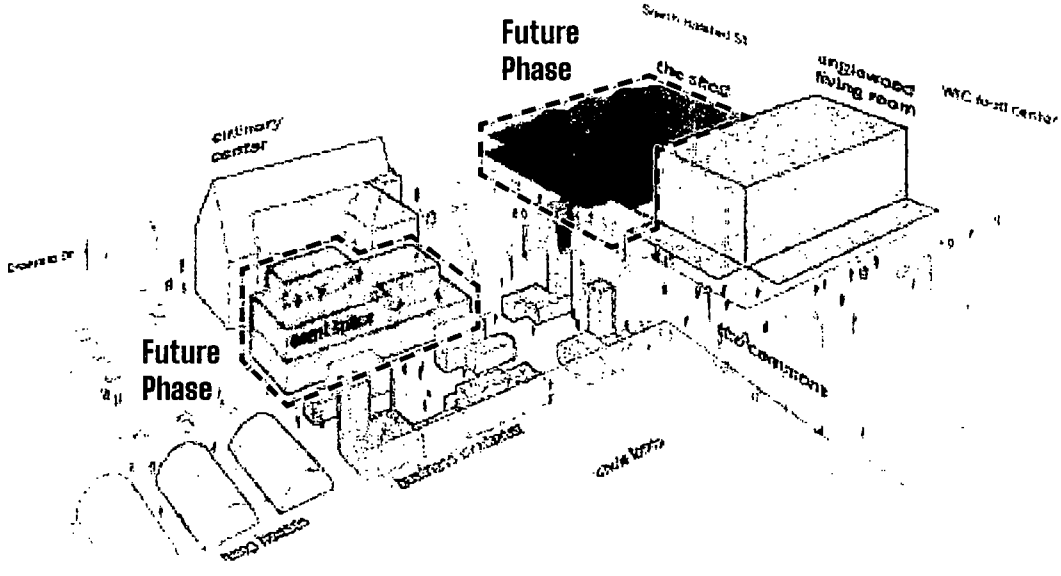
DPD

DPD@cityofchicago.org

## Englewood Connect (McLaurin)

**Project Description:**

Englewood Connect is an Eco-Food Hub and Pop-Up Development consisting of the historic Firehouse renovation into a Commercial Kitchen and Event Space with addition and a new build Community Space featuring local businesses framing a lively year-round plaza with ample gathering and open space




**Development Team:**

McLaurin Development (minority-owned)

Farpoint Development

**Design Team:**

SOM

TnS Studio (minority-owned)

Omni Ecosystems (WBE)

Engage Civil (MBE)

RME (MBE)

dbHMS (MBE)

GGLD (WBE)

**Construction Team:**

Bowa Construction (MBE)

**Community Partners:**

Brown Sugar Bakery

Catholic Charities

Chef David Blackmon

**Proposed Uses:**

Culinary Center (Firehouse reno): 9,000 sf

Hoop Houses

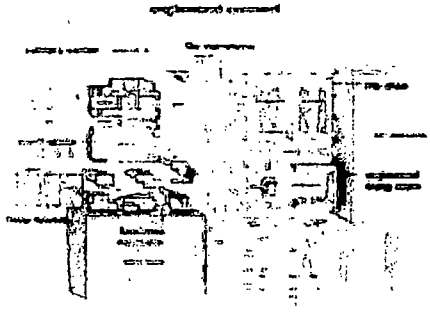
Business Incubator

Living Room (community hub): 8,000 sf

*Future Phases* *Event Center (firehouse addition)*

*The Shed (flexible market)*

| Total Development Size: | Commercial SF: |
|---|---|
| 19,000+ sf | 19,000+ sf |
| **Total Housing Units:** | **Affordable Units:** |
| N/A | N/A |



# INVEST South/West RFP Proposal Summary

**Site - Englewood, Package C**

DPD

DPD@cityofchicago.org

## Avia Parc

### Project Description:

The approach starts with creating high quality housing that is affordable in the Englewood community. The first building will include 65 1- and 2-bedroom apartments, most of which are at 50% AMI. Three ground floor retailers are anticipated to activate the space, in addition to a public plaza. A potential Phase II building will have 59 apartments plus a childcare center.

### Development Team:

DL3 Realty (MBE pending)

Mercy Housing Lakefront

### Design Team:

Perkins&Will

Latent Design (WBE / MBE)

Site Design Group (MBE)

dbHMS (MBE)

RME (MBE)

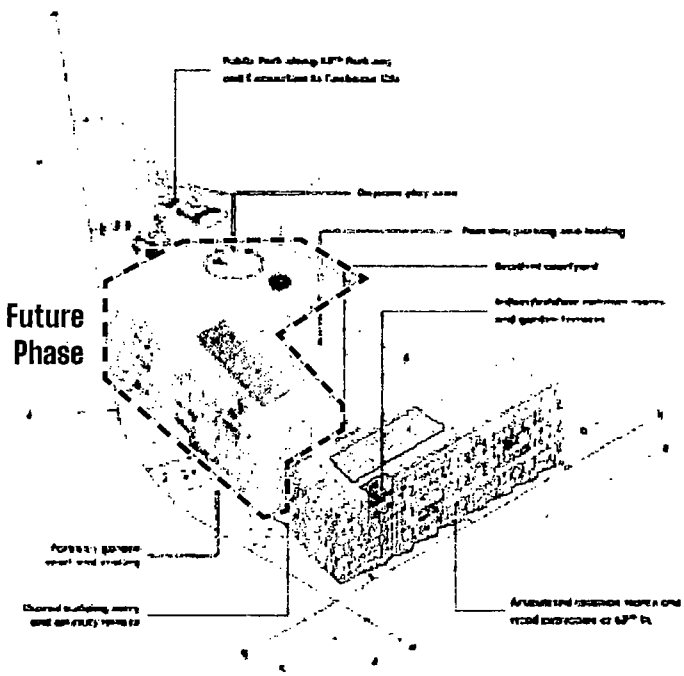
Pioneer Engineering

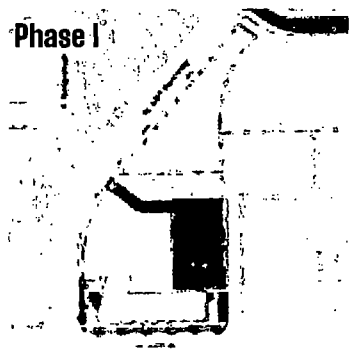
SpaceCo

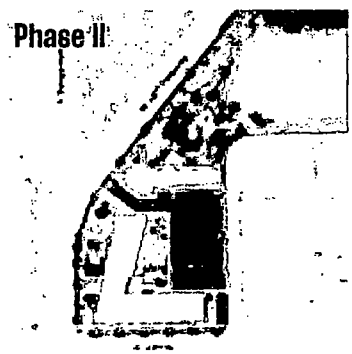
Level1 (MBE)

### Community Partners:

Chicago Child Care Society




### Proposed Uses:

Ground-floor Retail. 2,800 sf

Residential (Phase I): 92,900 sf / 65 units

Residential (Phase II): 90,700 sf / 59 units

Child-care (Phase II). 6,200 sf

Open Space: 25,000+ sf

**Total Development Size:**
95,700 sf
Phase I only

**Commercial SF:**
2,800 sf
Phase I only

**Total Housing Units:**
65 + 59
Phase I Phase II

**Affordable Units:**
65 + 59
Phase I Phase II

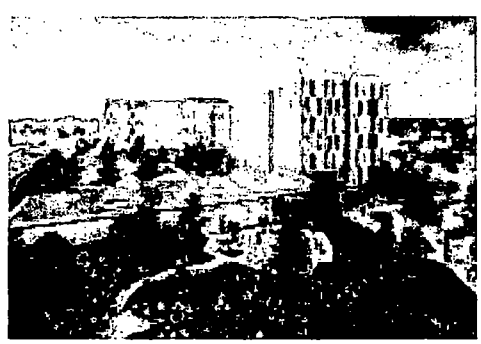


**Exhibit D to the Ordinance**

**Redevelopment Agreement**

(Attached)

This agreement was prepared by and
after recording return to:
Randall Johnson, Esq.
City of Chicago Department of Law
121 North LaSalle Street, Room 600
Chicago, IL 60602

# ENGLEWOOD CONNECT, LLC REDEVELOPMENT AGREEMENT

This Englewood Connect, LLC Redevelopment Agreement (this "Agreement") is made as of this __ day of _____, 2022, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Englewood Connect, LLC, an Illinois limited liability company (the "Developer").

## RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on November 29, 1989: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Englewood Mall Redevelopment Project Area" (the "Plan Adoption Ordinance"); (2) "An Ordinance of the City of Chicago, Illinois Designating the Englewood Mall Redevelopment Project

Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Englewood Mall Redevelopment Project Area" (the "TIF Adoption Ordinance"). Items (1)-(3) were amended by ordinances adopted on December 17, 2008 and November 13, 2013 and published at pages 51069 through 51124 and 63240 through 63270, respectively, of the Journal of Proceedings of the City Council of the City (the "Amendments"). Items (1)-(3) above, as amended by the Amendments, are collectively referred to herein as the "TIF Ordinances." The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Property and the Project: The City is the owner of the real property legally described on Exhibit B attached hereto (the "Property"). The Property is located within the Redevelopment Area at 6204 and 6215-6217 South Green Street, Chicago, Illinois 60621, together with a portion of Green Street right-of-way to be vacated. The Developer intends to purchase the Property (the "Acquisition"), and, within the time frames set forth in Section 3.01 hereof, the Developer shall commence and complete the rehabilitation of the existing historic firehouse into a commercial kitchen and event space ("Phase 1A"), development of a public plaza with landscape features and gathering areas ("Phase 1B"), and construction of an approximately 8,000 square foot community space featuring local businesses ("Phase 1C"). Phase 1A, Phase 1B and Phase 1C together with related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit H) shall together be referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Englewood Mall Area T.I.F. Redevelopment Plan and Project (the "Redevelopment Plan") included in the Plan Approval Ordinance, as amended by the Amendments, and published at pages 7030 through 7056 of the Journal of the Proceedings of the City Council.

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

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

## SECTION 1. RECITALS, HEADINGS AND EXHIBITS

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

provisions listed in the Exhibits have the same force and effect as if they had been listed in the body of this Agreement.

| Table of Contents | List of Exhibits |
|---|---|
| 1. Recitals, Headings and Exhibits | A *Redevelopment Area |
| 2. Definitions | B *Property |
| 3. The Project | C *Site Plan |
| 4. Financing | D [intentionally omitted] |
| 5. Conditions Precedent | E Construction Contract |
| 6. Agreements with Contractors | F [intentionally omitted] |
| 7. Completion of Construction or Rehabilitation | G *Permitted Liens |
| 8. Covenants/Representations/Warranties of Developer | H *Project Budget |
| | I Approved Prior Expenditures |
| 9. Covenants/Representations/Warranties of the City | J Opinion of Developer's Counsel |
| | K [intentionally omitted] |
| 10. Developer's Employment Obligations | L-1 Requisition Form – Phase 1A |
| 11. Environmental Matters | L-2 Requisition Form – Phase 1B-1C |
| 12. Insurance | M [intentionally Omitted] |
| 13. Indemnification | N Form of Subordination Agreement |
| 14. Maintaining Records/Right to Inspect | O Form of Payment Bond |
| 15. Defaults and Remedies | |
| 16. Mortgaging of the Project | (An asterisk (*) indicates which exhibits are to be recorded.) |
| 17. Notice | |
| 18. Miscellaneous | |

SECTION 2. DEFINITIONS

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

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

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

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

"AIS" shall have the meaning set forth in Section 2A.07 hereof.

"Annual Compliance Report" shall mean a signed report from Developer to the City (a) itemizing each of Developer's obligations under the RDA during the preceding calendar year, (b) certifying Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that Developer is not in default with respect to any provision of the RDA, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with

the Operating Covenant (Section 8.06); (2) delivery of Financial Statements and unaudited financial statements (Section 8.13); (3) delivery of updated insurance certificates, if applicable (Section 8.14); (4) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (5) Job Readiness Program (Section 8.25); (6) delivery of evidence that Chicago Sustainable Development Policy has been obtained (Section 8.22); and (7)compliance with all other executory provisions of the RDA.

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

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

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

"Certificates" shall mean together the Phase 1A Certificate, and Phase 1B-1C Certificate.

"Change Order" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budgets as described in Section 3.03, Section 3.04 and Section 3.05, respectively.

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

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

"City Fee" shall mean the fee described in Section 4.05(c) hereof.

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

"Closing Date" shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement, and which shall be not later than 180 days after the date City Council authorizing the City's execution of this Agreement.

"Compliance Period" shall mean a period beginning on the date of issuance of the Phase 1A Certificate and continuing through the 10th anniversary of such date, subject to further extension as follows: (a) the Compliance Period shall continue through the 10th anniversary of the date the Phase 1B-1C Certificate is issued, (b) if the Developer delivers a first Extension Notice and cures the applicable Event of Default during the one-year period in which the Extension Notice was delivered, the Compliance Period shall be extended by one additional year, and (c) if the Developer delivers a second Extension Notice and cures the applicable Event of Default during the one-year period in which the Extension Notice was delivered, the Compliance Period shall be extended by one additional year, so that the maximum Compliance Period, if clauses (a) through (c) apply, would be the 12th anniversary of the date the Phase 1B-1C Certificate is issued.

"Contaminant" shall mean any of those materials set forth in 415 ILCS 5/3.165, as amended from time to time, that are subject to regulation under any Environmental Law.

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

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

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

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

"CSIR/ROR/RAP" shall have the meaning set forth in Section 2A.07 hereof.

"Deed" shall have the meaning set forth in Section 2A.03 hereof.

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

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

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

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

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

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

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

"Escrow Agreement" shall mean the Escrow Agreement establishing a construction escrow, entered into by the Title Company (or an affiliate of the Title Company), the Developer and the Developer's lender(s), in form and content reasonably acceptable to DPD.

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

"Extension Notice" shall have the meaning set forth in Section 8.06 hereof.

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

"Fair Market Value" shall have the meaning set forth in Section 2A.01 hereof.

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

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

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

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

"Hazardous Substance" has the meaning set forth in 415 ILCS 5/3.215, as amended from time to time.

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

"IEPA" shall mean the Illinois Environmental Protection Agency's ("IEPA").

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

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

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

"Lender Financing" shall mean funds borrowed by Developer from lenders and irrevocably available to pay for Costs of the Project, in the amount set forth in Section 4.01 hereof.

"Losses" shall mean any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties,

costs and expenses (including, without limitation, reasonable attorney's fees and expenses, consultants' fees and expenses and court costs).

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

"MBE/WBE Budget" shall mean the budgets attached hereto as Exhibit H with respect to each of the Phase 1A, Phase 1B -1C portions of the Project, as described in Section 10.03.

"MBE/WBE Program" shall have the meaning set forth in Section 10.03 hereof.

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

"Net Operating Income" shall mean, with respect to any given year, Project Revenues minus Operating Expenses with respect to each of the Phase 1A and Phase 1B-1C portions of the Project.

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

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

"Operating Covenant" shall have the meaning set forth in Section 8.06 hereof.

"Operating Expenses" shall mean those certain operating expenses set forth in the audited annual Financial Statements including Debt Service and any Lender required reserves, but excluding any reserves arising in connection with a Capital Event, Income Taxes, Depreciation and Amortization.

"Other Regulated Material" means any Waste, Contaminant, material meeting 35 IAC Part 742.305, or any other material, not otherwise specifically listed or designated as a Hazardous Substance, that (a) is or contains: petroleum, including crude oil or any fraction thereof, motor fuel, jet fuel, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixtures of natural gas and such synthetic gas, asbestos, radon, any polychlorinated biphenyl, urea, formaldehyde foam insulation, explosive or radioactive material, materials known to contain per- and polyfluoroalkyl substances, i.e. PFAS, or (b) is a hazard to the environment or to the health or safety of persons.

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

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

"Phase I ESA" shall have the meaning set forth in Section 2A.07.

"Phase 1A" shall mean the first phase of the Project which shall include that part of the Project, all as set forth in the Recitals herein and Section 3 hereof and as shown on the site plan attached hereto as Exhibit C.

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

"Phase 1A Capital Event" shall have the meaning set forth in Section 4.09(A) hereof.

"Phase 1A Certificate" shall mean the Certificate of Completion of Rehabilitation for Phase 1A described in Section 7 hereof.

"Phase 1A Property" shall mean the portion of the Property on which the first phase of the Project is constructed.

"Phase 1A Return Period" shall have the meaning set forth in Section 4.09(A) hereof.

"Phase 1B- 1C" shall mean the second phase of the Project which shall include that part of the Project, all as set forth in the Recitals herein and Section 3 hereof and as shown on the site plan attached hereto as Exhibit C.

"Phase 1B-1C Budget" shall mean the budget for Phase 1A attached hereto as Exhibit H, showing the total cost of Phase 1B-1C by line item, furnished by Developer to DPD, in accordance with Section 3.03 hereof.

"Phase 1B-1C Capital Event" shall have the meaning set forth in Section 4.09(B) hereof.

"Phase 1B-1C Certificate" shall mean the Certificate of Completion of Construction for Phase 1B-1C described in Section 7 hereof.

"Phase 1B-1C Property" shall mean the portion of the Property on which the second phase of the Project is constructed.

"Phase 1B-1C Return Period" shall have the meaning set forth in Section 4.09(B) hereof.

"Plans and Specifications" shall mean initial construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project. There may be separate Plans and Specifications for Phase 1A and Phase 1B-1C.

"Prior Expenditure(s)" shall have the meaning set forth in Section 4.05(a) hereof.

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

"Project Activities" shall include, but not be limited to mean Environmental Remediation, Demolition, Site Preparation, Building Construction, all soft costs directly related to new

construction or rehabilitation (A&E, construction management, etc.), Construction contingency, as also listed in the MBE/WBE Budgets attached hereto as Exhibit H.

"Project Revenues" shall mean those certain revenues for the Project as set forth in the audited annual Financial Statements, including net proceeds to the Developer (as evidenced on the executed settlement statement), resulting from a Capital Event.

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

"Property Closing Date" shall mean the Closing Date.

"Purchase Price" shall have the meaning set forth in Section 2A.01.

"RAP Approval Letter" shall have the meaning set forth in Section 2A.07.

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

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

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

"Released Claims" shall have the meaning set forth in Section 2A.08.

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

"Requisition Form – Phase 1A" shall mean the document, in the form attached hereto as Exhibit L-1, to be delivered by Developer to DPD pursuant to Section 4.04 of this Agreement.

"Requisition Form – Phase 1B-1C" shall mean the document, in the form attached hereto as Exhibit L-2, to be delivered by Developer to DPD pursuant to Section 4.04 of this Agreement.

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

"SRP" shall have the meaning set forth in Section 2A.07.

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

"Survey" shall mean a plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property, meeting the 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, effective February 23, 2011, dated within 75 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and concluding at the end of the Compliance Period.

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

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

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

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

"Title Commitment" shall have the meaning set forth in Section 2A.04.

"Title Company" shall mean Greater Illinois Title Company.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

"USTs" shall have the meaning set forth in Section 2A.07.

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

"Waste" means those materials defined in the Illinois Environmental Protection Act, 415 ILCS 5/1 *et seq.* as waste and identified subcategories thereof, including but not limited to, construction or demolition debris, garbage, household waste, industrial process waste, landfill waste, landscape waste, municipal waste, pollution control waste, potentially infectious medical waste, refuse, or special waste.

"WBE(s)" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified

by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

SECTION 2A. CONVEYANCE OF PROPERTY

The following provisions shall govern the City's conveyance of the Property to the Developer:

2A.01 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 One Dollar ($1.00) (the "Purchase Price"), which is to be paid to the City on or before the Property Closing Date in cash or by certified or cashier's check or wire transfer of immediately available funds. The Developer shall pay all escrow fees and other title insurance fees, premiums and closing costs. The Developer acknowledges and agrees that (i) the appraised fair market value of the Property is approximately $_____ ("Fair Market Value") based on an appraisal dated _____ and (ii) the City has only agreed to sell the Property to the Developer for the Purchase Price because the Developer has agreed to execute this Agreement and comply with its terms and conditions. The Developer specifically acknowledges and agrees that the purpose of the sale is to facilitate the development of the Project.

2A.02 Performance Deposit. The Developer has deposited with the City the amount of $41,700 as security for the performance of its obligations under this Agreement, one-half of which ($20,850) the City will return on the Property Closing Date and the other half of which the City will retain until the City issues the Phase 1A Certificate. Upon the Developer's receipt of the Phase IA Certificate, the Developer shall submit a written request for a return of the remaining $20,850, and the City will return such sum within ninety (90) days of receiving such request.

2A.03 Form of Deed. The City shall convey the Property to the Developer by quitclaim deed (the "Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the Deed, the following:

(a) the Redevelopment Plan;

(b) the standard exceptions in an ALTA title insurance policy;

(c) all general real estate taxes and any special assessments or other taxes;

(d) all easements, encroachments, covenants and restrictions of record and not shown of record;

(e) such other title defects as may exist; and

(f) any and all exceptions caused by the acts of the Developer or any other Developer Parties.

2A.04 Title and Survey. The Developer shall, no later than thirty (30) days prior to the Property Closing Date obtain at its expense and deliver to the City a Survey of the Property and a commitment for an owner's policy of title insurance issued by the Title Company (the "Title

Commitment") in an amount not less than the Fair Market Value. The Developer shall be solely responsible for and shall pay all costs associated with updating the Title Commitment (including all search, continuation and later-date fees), and obtaining the Title Policy and any endorsements. The City shall have no obligation to cure title defects; provided, however, the City shall reasonably cooperate (without cost to the City) with Developer's requests to cure title defects that impair the Developer's ability to develop and operate the Project; provided further, however, if there are exceptions for general real estate taxes due or unpaid prior to the Property Closing Date with respect to the Property or liens for such unpaid property taxes, the City shall, as applicable, request that the County void the unpaid taxes as provided in Section 21-100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or file a tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. If, after taking the foregoing actions and diligently pursuing same, the Property remains subject to any 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, as its sole remedy, have the option to either (i) proceed with the purchase subject to all defects and exceptions, or (ii) terminate its right to purchase under this Section 2A, whereupon such purchase right shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder with respect to the Property. If the Developer elects not to terminate its purchase right pursuant to this Section 2A.04, the Developer agrees to accept title subject to all exceptions.

2A.05 Closing. The conveyance of the Property shall take place on the Property Closing Date at the downtown offices of the Title Company or such other place as the parties may mutually agree upon in writing; provided, however, in no event shall the closing of the land sale occur unless the Developer has satisfied all conditions precedent set forth in this Section 2A, unless DPD, in its sole discretion, waives such conditions. On or before the Property Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, water certification or waiver thereof, and an ALTA statement. The City will not provide a gap undertaking. The Developer shall pay to record the Deed and any other documents incident to the conveyance of the Property to the Developer.

2A.06 "AS IS" SALE. THE DEVELOPER ACKNOWLEDGES THAT IT HAS HAD OR WILL HAVE ADEQUATE OPPORTUNITY TO INSPECT AND EVALUATE THE STRUCTURAL, PHYSICAL AND ENVIRONMENTAL CONDITION AND RISKS OF THE PROPERTY AND ACCEPTS THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE PROPERTY. THE DEVELOPER AGREES TO ACCEPT THE PROPERTY IN ITS "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT CLOSING WITHOUT ANY COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, AS TO THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE PROPERTY OR THE SUITABILITY OF THE PROPERTY FOR ANY PURPOSE WHATSOEVER. THE DEVELOPER ACKNOWLEDGES THAT IT IS RELYING SOLELY UPON ITS OWN INSPECTION AND OTHER DUE DILIGENCE ACTIVITIES AND NOT UPON ANY INFORMATION (INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL STUDIES OR REPORTS OF ANY KIND) PROVIDED BY OR ON BEHALF OF THE CITY OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. THE DEVELOPER AGREES THAT IT IS ITS SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM ANY REMEDIATION WORK AND TAKE SUCH OTHER ACTION AS IS NECESSARY TO PUT THE PROPERTY IN A CONDITION WHICH IS SUITABLE FOR ITS INTENDED USE.

2A.07 Environmental Due Diligence and Remediation.

(a) The Developer has provided the City's Department of Assets, Information and Services ("AIS") with a Phase I Environmental Site Assessment prepared by Environmental Design International Inc., dated July 22, 2021 ("Phase I ESA"), and Phase II ESA Sampling Plan dated September 7, 2021 for the Property. Previous soil and groundwater testing performed by the City and the Developer have identified contamination on the Property above residential remediation objectives as determined by 35 Ill. Adm. Code Part 742. The City previously enrolled the Phase 1A Property, including the portion of Green Street right-of-way to be vacated, in the IEPA's Site Remediation Program ("SRP") and the IEPA approved a general Comprehensive Site Investigation Report/Remedial Objectives Report/Remedial Action Plan ("CSIR/ROR/RAP") in 2014. The Developer shall enroll the Phase 1B-1C Property in the SRP, submit a CSIR/ROR/RAP addendum with a site-specific Remedial Action Plan for the entire Property ("Amended RAP"), and thereafter take all necessary and proper steps to obtain written approval from the IEPA of such Amended RAP ("RAP Approval Letter"). The City shall have the right to review in advance and approve all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the SRP Documents and any changes thereto, and the Developer's estimate of the cost to perform the Remediation Work. The Developer acknowledges and agrees that it may not commence construction, until the IEPA issues, and AIS approves, the RAP Approval Letter for the Property.

(b) At the request of AIS, the Developer shall perform additional studies and tests for the purpose of determining whether any environmental or health risks would be associated with the development of the Project, including, without limitation, updating or expanding the Phase I ESA and performing additional Phase II testing. The City shall have the right to review in advance and approve the scope of work for any additional Phase II testing or other environmental assessments.

(c) Upon receipt of the RAP Approval Letter for the Property, the Developer covenants and agrees to complete all Remediation Work necessary to obtain a Final NFR Letter for the Property using all reasonable means. The Developer shall bear sole responsibility for all costs of the Remediation Work necessary to obtain the Final NFR Letter, and the costs of any other investigative and cleanup costs associated with the Property, including, but not limited to, the removal of pre-existing building foundations, soil not meeting the requirements of 35 Ill. Adm. Code Section 742.305, demolition debris, and the removal or treatment of Hazardous Substances. In addition, Developer shall remove and close any identified underground storage tanks ("USTs") in accordance with applicable regulations, including 41 Ill. Adm. Code Part 175, and shall properly address any identified leaking USTs in accordance with 35 Ill. Adm. Code Part 734. The Developer shall promptly transmit to the City copies of all Environmental Documents prepared or received with respect to the Remediation Work, including, without limitation, any written communications delivered to or received from the IEPA or other regulatory agencies. The Developer shall cooperate and consult with the City at all relevant times (and in all cases upon the City's request) with respect to environmental matters. The Developer acknowledges and agrees that the City will not permit occupancy of the Project until the IEPA has issued, the City has approved, and the

Developer has recorded with the Cook County Clerk's Office, a Final NFR Letter for the Property, which approval shall not be unreasonably withheld. The Developer must abide by the terms and conditions of the Final NFR letter.

(d) In addition to the Remediation Work necessary to obtain a Final NFR Letter, the Developer shall conduct a Hazardous Building Material Survey of the Firehouse and submit a report documenting the results of the survey and an abatement plan to the City for review and approval prior to beginning any rehabilitation work on the Firehouse. The Hazardous Building Material Survey shall include, without limitation, an asbestos and lead-based paint survey, visually inspecting the Firehouse to determine the presence and location of polychlorinated-biphenyl-containing equipment and materials (such as lighting ballasts, switchgears, transformers, and hydraulic fluids), mercury-containing equipment and materials (mercury lamps, thermostats, switches, thermometers, regulators, and gauges), radioactive material-containing equipment and/or waste, medical wastes (such as biological or infectious wastes, hazardous chemicals, and/or wastes), refrigerants such as chlorofluorocarbons, large appliances or equipment, or any other materials that may require special handling or disposal during or after demolition. The Developer shall incorporate the results of the Hazardous Building Material Survey into rehabilitation documents and perform abatement and/or removal as part of the rehabilitation of the Firehouse in accordance with all laws. In addition, the Developer shall remove the approximately 2,500 gallon above ground storage tank in the basement of the Firehouse in accordance with all laws unless an alternative method is approved by AIS and the regulating entity. A report documenting the completion of the removal, or other approved alternative method, and final approval by the regulating entity shall be submitted to the City prior to occupancy.

2A.08 Release and Indemnification. The Developer, on behalf of itself and the Developer Parties, hereby releases, relinquishes and forever discharges the City, its officers, agents and employees, from and against any and all Losses which the Developer or any of the Developer Parties ever had, now have, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, foreseen or unforeseen, now existing or occurring after the Property Closing Date, based upon, arising out of or in any way connected with, directly or indirectly (i) any environmental contamination, pollution or hazards associated with the Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Substances, or threatened release, emission or discharge of Hazardous Substances; (ii) the structural, physical or environmental condition of the Property, including, without limitation, the presence or suspected presence of Hazardous Substances in, on, under or about the Property or the migration of Hazardous Substances from or to the Property; (iii) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any governmental or regulatory body response costs, natural resource damages or Losses arising under CERCLA; and (iv) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the Property or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore,

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

2A.09 Release Runs with the Land. The covenant of release in Section 2A.08 above shall run with the Property and shall be binding upon all successors and assigns of the Developer with respect to the Property, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the Property under or through the Developer following the date of the Deed. The Developer acknowledges and agrees that the foregoing covenant of release constitutes a material inducement to the City to enter into this Agreement, and that, but for such release, the City would not have agreed to convey the Property to the Developer. It is expressly agreed and understood by and between the Developer and the City that, should any future obligation of the Developer or any of the Developer Parties arise or be alleged to arise in connection with any environmental, soil or other condition of the Property, neither the Developer nor any of the Developer Parties will assert that those obligations must be satisfied in whole or in part by the City because Section 2A.08 contains a full, complete and final release of all such claims.

2A.10 Notification to the Cook County Assessor of Change in Use and Ownership. Prior to the Property Closing Date, Developer shall complete a letter of notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor that there has been a change in use and ownership of the Property. On the Closing Date, Developer shall pay to the Title Company the cost of sending the notification to the Cook County Assessor via certified mail, return receipt requested. After delivery of the notification, Developer shall forward a copy of the return receipt to DPD, with a copy to the Corporation Counsel's office.

2A.11 Storm Water. Prior to the Property Closing Date, the Developer and the City shall enter into an easement agreement in a mutually acceptable form authorizing the Developer to discharge storm water from the Property into the storm water vault on Lot 4 in the Halsted Parkway Subdivision, subject to the Developer's agreement to contribute its proportionate share of costs to maintain, repair and replace the storm water vault and related infrastructure. The City agrees to enter into a similar easement agreement, or cause the subsequent owner of Lot 4, to enter into a similar easement agreement, with the Developer in connection with the development of subsequent phases of the Englewood Connect project, subject to the needs of the affordable housing development on Lot 5 in the Halsted Parkways Subdivision (currently called Thrive Englewood) and the existing capacity of the storm water vault.

2A.12 Survival. This Section 2A shall survive the Property Closing Date or any termination of this Agreement (regardless of the reason for such termination).

## SECTION 3. THE PROJECT

3.01 The Project. The Project will be constructed in three (3) phases. The Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof:

(i) with respect to Phase 1A, complete construction, conduct business operations and obtain the Phase 1 Certificate no later than the second anniversary of the Closing Date;

(ii) with respect Phase 1B-1C, secure building permits for Phase 1B-1C within nine (9) months after the Closing Date; and

(iii) with respect to Phase 1B-1C, complete construction, conduct business operations and obtain the Phase 1B-1C Certificate prior to the second anniversary of the commencement of construction of Phase 1B-1C.

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

3.03 Project Budgets. (A) Developer has furnished to DPD, and DPD has approved, a Phase 1A Budget showing total costs for the Phase 1A in an amount not less than $7,740,342. Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity as described in Section 4.01 and Section 4.02 hereof, shall be sufficient to complete Phase 1A of the Project; and (b) the Phase 1A Budget is true, correct and complete in all material respects. Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Phase 1A Budget for approval pursuant to Section 3.04 hereof.

(B) Developer has furnished to DPD, and DPD has approved, a Phase 1B-1C Budget showing total costs for the Phase 1B-1C in an amount not less than $6,209,342. Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity as described in Section 4.01 and Section 4.02 hereof, shall be sufficient to complete Phase 1B-1C of the Project; and (b) the Phase 1B-1C Budget is true, correct and complete in all material respects. Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Phase 1B-1C Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below in this Section 3.04, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by Developer to DPD concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following must be submitted by Developer to DPD for DPD's prior written approval: (a) a reduction in the gross or net square footage of Phase 1A or Phase 1B-1C by five percent (5%) or more (either individually or cumulatively); (b) a change in the use of Developer Space to a use other than as described in Recital D to this Agreement; (c) a delay in the completion of the Project by six (6) months or more; or (d) Change Orders resulting in an aggregate increase to the Phase 1A or Phase1B-1C Budget for the Project of ten percent (10%) or more. Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing

of materials in connection therewith prior to the receipt by Developer of DPD's written approval (to the extent said City prior approval is required pursuant to the terms of this Agreement). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to Developer. Notwithstanding anything to the contrary in this Section 3.04, Change Orders other than those set forth above do not require DPD's prior written approval as set forth in this Section 3.04, but DPD shall be notified in writing of all such Change Orders within 10 business days after the execution of such Change Order and Developer, in connection with such notice, shall identify to DPD the source of funding therefor and shall be included in the Developer's Quarterly Progress Reports (as defined herein).

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

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

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

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

3.09 Barricades. Prior to commencing any construction requiring barricades, Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and

regulations. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

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

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

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

## SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. (A) The cost of Phase 1A is estimated to be $7,740,342, to be applied in the manner set forth in the Phase 1A Budget. Such costs shall be funded from the following sources:

| | |
|---|---|
| Equity | $ 208,260 |
| Lender Financing | $ 3,532,082 |
| City Funds | $ 4,000,000 |
| ESTIMATED TOTAL | $7,740,342 |

(B) The cost of the Phase IB-1C is estimated to be not in excess of $6,209,342, to be applied in the manner set forth in the Phase 1B-1C Budget, as deemed acceptable to DPD. Such costs shall be funded from the following sources:

| | |
|---|---|
| Equity | $ 611,592 |
| Lender Financing | $ 3,597,750 |
| City Funds | $ 2,000,000 |
| ESTIMATED TOTAL | $ 6,209,342 |

4.02 Developer Funds. Equity and/or Lender Financing may be used to pay any Project cost, including but not limited to Redevelopment Project Costs.

4.03 City Funds.

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

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to provide City funds from the sources and in the amounts described directly below with respect to the Phase 1A and the Phase 1B-1C (the "City Funds") to pay for or reimburse Developer for the costs of the TIF-Funded Improvements:

Phase 1A

| Source of City Funds | Maximum Amount |
|---|---|
| Incremental Taxes | $4,000,000 |

Phase 1B-1C

| Source of City Funds | Maximum Amount |
|---|---|
| Incremental Taxes | $2,000,000 |

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of $6,000,000 or 43.01% of the actual total Project costs; and provided further, that the $6,000,000 to be derived from Incremental Taxes, if any shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as the amount of the Incremental Taxes deposited into the Redevelopment Project Area Special TIF Allocation Fund shall be sufficient to pay for such costs.

The Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements up to a maximum of $6,000,000 is contingent upon the amount of the Incremental Taxes deposited into the Redevelopment Project Area Special TIF Allocation Fund shall be sufficient to pay for such costs. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by the Developer Parties or Lender Financing to be obtained pursuant to Section 4.01 hereof shall increase proportionately.

(c) City Funds. Subject to the conditions and terms of this Agreement, including but limited to this Section 4.03, Section 4.07 and Section 5 hereof, the City shall disburse the City Funds in three installments as follows:

(i) $750,000 of the City Funds upon the Closing Date; and

(ii) $3,250,000 of the City Funds upon the issuance of the Phase 1A Certificate, receipt of building permits for Phase 1B-1C, DPD approval of the design of Phase 1B-1C, and proof of Equity and Lender Financing for Phase 1B-1C; and

(iii) $2,000,000 of the City Funds upon the issuance of the Phase 1B-1C Certificate.

4.04 Requisition Form. Upon the satisfaction of the conditions described in Section 4.03(c)(ii) and (iii), Developer shall provide DPD with a Requisition Form, along with the documentation described therein. After submitting each Requisition Form, Developer shall meet with DPD at the request of DPD to discuss the Requisition Form(s) previously delivered.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

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

(b) Reserved.

(c) City Fee. Annually, the City may allocate an amount not to exceed five percent (5%) of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

(d) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line item only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed $50,000 or $150,000 in the aggregate, may be made without the prior written consent of DPD.

(e) Reserved.

4.06 Cost Overruns. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to Section 4.03 hereof, or if the cost of completing Phase 1A or Phase 1B-1C of the Project exceeds each of the Phase 1A or Phase 1B-1C Budgets, Developer shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and of completing the Project.

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

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

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

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

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

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

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

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

The City shall have the right, in its discretion, to require Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by Developer. In addition, Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements set forth in the TIF Ordinances, this Agreement and/or the Escrow Agreement, if any.

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed by the Developer to the City subject to the rights and limitations and as otherwise provided in Section 4.09, Section 15.02 and Section 15.03 hereof.

4.09 Return of City Funds Upon Sale or Transfer. (A) In the event of a refinance, sale or transfer of the Phase 1A Property ("Phase 1A Capital Event") or any part thereof occurring on or before the fifth anniversary of the issuance of the Phase 1A Certificate (the "Phase 1A Return Period") the Developer agrees to return the amount of the City Funds related to Phase 1A of the Project paid to date from the City; provided, however, that the replacement of Lender Financing for construction of the Project Phase 1A by permanent financing of the Project costs, as deemed acceptable by DPD, shall not constitute a Phase 1A Capital Event.

(B) In the event of a refinance, sale or transfer of the Phase 1B-1C Property ("Phase 1B-1C Capital Event") or any part thereof occurring on or before the fifth-year anniversary of the issuance of the Phase 1B-1C Certificate (the "Phase 1B-1C Return Period") the Developer agrees to return the amount of the City Funds related to Phase 1B-1C of the Project paid to date from the City; provided, however, that the replacement of Lender Financing for construction of the Project Phase 1B-1C by permanent financing of the Project costs, as deemed acceptable by DPD, shall not constitute a Phase 1B-1C Capital Event.

4.10 Annual Recapture. From the earlier of the 5th anniversary of the issuance of the Phase 1A Certificate or Phase 1B-1C Certificate until the end of the Compliance Period, the City will be entitled to receive, on a pari-passu basis, 50% of the net annual cash flow in excess of an internal rate of return on equity of 15%, generated from the operations and/or sale of the Project. Developer shall also cause this provision to be incorporated into its agreements with its equity investors.

## SECTION 5. CONDITIONS PRECEDENT

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

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

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

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

5.04 Financing. Developer has furnished proof reasonably acceptable to the City that Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to

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

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

5.06 Evidence of Clean Title. Developer, at its own expense, has provided the City with searches as indicated in the chart below under Developer's name (and the following trade names of Developer, if any: _____) showing no liens against Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens:

| **Jurisdiction** | **Searches** |
|---|---|
| Secretary of State | UCC, Federal tax |
| Cook County Recorder | UCC, Fixtures, Federal tax, State tax, Memoranda of judgments |
| U.S. District Court | Pending suits and judgments |
| Clerk of Circuit Court, Cook County | Pending suits and judgments |

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

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

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

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

5.11 Financial Statements. Developer has provided its Financial Statements for its most recent three fiscal years, as well as audited or unaudited interim financial statements and the Financial Statements from the most recent three fiscal years, as well as audited or unaudited interim financial statements of those entities with an ownership interest in the Project to DPD.

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

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

5.14 Corporate Documents; Economic Disclosure Statement. Developer has provided a copy of its Articles of Organization containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and all other states in which the Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; Operating Agreement of the limited liability company; and such other documentation as the City has requested.

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

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

5.16 Leases. Developer has provided to the City copies of as well as disclosing all current and prospective tenant leases, lease termination agreements, operating lease, synthetic leases and any other leases related to the Project.

5.17 Material Agreements. The Developer shall provide to the City at least thirty (30) days prior to the Closing Date, copies of all material agreements and documents relating to the Project, including, without limitation, all deeds, tenant relocation plans, easements, construction agreements, development and land use agreements.

## SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) Except as set forth in Section 6.01(b) below, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received to DPD for its inspection and written approval. (i) For the TIF-Funded Improvements, Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. (ii) For Project work other than the TIF-Funded Improvements, if Developer selects a General Contractor (or the General Contractor selects any subcontractor) who has not submitted the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof. Developer shall submit copies of the Construction Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of the Project, Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed 5% of the total amount of the Construction Contract. Except as explicitly stated in this paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors.

6.02 Construction Contract. Prior to the execution thereof, Developer shall deliver to DPD

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

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

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

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

## SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. (A) Upon completion of Phase 1A in accordance with the terms of this Agreement, including satisfaction of the conditions set forth in this Section 7.01, and upon Developer's written request, the City shall issue to Developer a Phase 1A Certificate in recordable form certifying that Developer has fulfilled its obligation to complete Phase 1A in accordance with the terms of this Agreement. No Phase 1A Certificate shall be issued unless the City is satisfied that the Developer has fulfilled all of the following obligations that pertain to the Phase 1A Certificate being requested:

(i) The Developer has completed construction of Phase 1A according to the Plans and Specifications.

(ii) Receipt of a Certificate of Occupancy, if applicable, or other evidence acceptable to the City that the Developer has complied with building permit requirements for Phase 1A and shared kitchen and event spaces are complete and open for business.

(iii) The City's Monitoring and Compliance Unit has verified that, at the time the Phase 1A Certificate is issued, the Developer is in full compliance as determined on a Phase 1A-wide basis with City requirements set forth in Section 10 and Section 8.09 (MBE/WBE, City Residency and Prevailing Wage) with respect to construction of Phase I, and that 100% of the Developer's MBE/WBE Commitment in Section 10.03 has been fulfilled.

(iv) The Developer has incurred costs for TIF-Funded Improvements in an amount equal to or higher than the amount indicated on Exhibit C with respect to the Project, and that the Project costs are equal to, or in excess to $7,921,101. If said amount is less, City Funds related to the Project will be reduced on a dollar for dollar basis at the sole discretion of the City.

(v) Evidence that the Developer has incurred TIF-eligible costs in an equal amount to, or greater than the total maximum amount of City Funds related to the Project.

(vi) The Developer's submission of evidence of compliance with all requirements of the City of Chicago's Sustainable Development Policy or evidence of payment to the City for failure to meet the Sustainable Development Policy as it pertains to the Project (see Section 8.22).

(vii) The Developer's submission of an acceptable Preliminary Summary of Information regarding the historic characteristics of the building, as required under Section 8.24.

(viii) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

(B) Upon completion of Phase 1B-1C construction in accordance with the terms of this Agreement, including satisfaction of the conditions set forth in this Section 7.01, and upon Developer's written request, the City shall issue to Developer a Phase 1B-1C Certificate in recordable form certifying that Developer has fulfilled its obligation to complete Phase 1B-1C in accordance with the terms of this Agreement. No Phase 1B-1C Certificate shall be issued unless the City is satisfied that the Developer has fulfilled all of the following obligations that pertain to the Phase1B-1C Certificate being requested:

(i) The Developer has completed construction of Phase 1B-1C according to the Plans and Specifications.

(ii) Receipt of a Certificate of Occupancy, if applicable, or other evidence acceptable to the City that the Developer has complied with building permit requirements for Phase 1B-1C and the community space should be open to the public.

(iii) The City's Monitoring and Compliance Unit has verified that, at the time the Phase 1B-1C Certificate is issued, the Developer is in full compliance as determined on a Phase 1B-1C-wide basis with City requirements set forth in Section 10 and Section 8.09 (MBE/WBE, City Residency and Prevailing Wage) with respect to construction of Phase I, and that 100% of the Developer's MBE/WBE Commitment in Section 10.03 has been fulfilled.

(iv) The Developer has incurred costs for TIF-Funded Improvements in an amount equal to or higher than the amount indicated on Exhibit C with respect to the Project, and that the Project costs are equal to, or in excess to $6,261,592. If said

amount is less, City Funds related to the Project will be reduced on a dollar for dollar basis at the sole discretion of the City.

(v) Evidence that the Developer has incurred TIF-eligible costs in an equal amount to, or greater than the total maximum amount of City Funds related to the Project.

(vi) The Developer's submission of evidence of compliance with all requirements of the City of Chicago's Sustainable Development Policy or evidence of payment to the City for failure to meet the Sustainable Development Policy as it pertains to the Project (see Section 8.22).

(vii) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

(C) The City shall make its best efforts to respond to the Developer's written request for a Phase 1A Certificate or a Phase 1B -1C Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. There will be no deemed approval by the City associated with the Developer's request for a Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Phase 1A Certificate relates only to the rehabilitation of Phase 1A and the Phase IB-1C Certificate relates only to the construction of Phase 1B-1C. Upon the issuance of each respective Phase 1A Certificate and Phase 1B-1C Certificate, the City will certify that the terms of the Agreement specifically related to Developer's obligation to complete such respective activities have been satisfied. After the issuance of any of the Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of a Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 2A.08 (Covenant of Environmental Release), 4.09 (Return of City Funds Upon Sale or Transfer), 4.10 (Annual Recapture), 8.02 (Covenant to Redevelop), 8.06 (Maintenance and Operating Covenants), 8.19 (Real Estate Tax Provisions), and 8.24 (Landmark Designation) as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon Developer or a permitted assignee of Developer who, pursuant to Section 18.14 of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer's liabilities hereunder.

7.03 Failure to Complete. If Developer fails to complete Phase 1A, and if undertaken, Phase 1B-1C in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies

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

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

(c) the right to seek reimbursement of the City Funds from Developer.

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

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER.

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

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

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

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

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

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

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

(g) Developer has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project;

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

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

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

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

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

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

intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

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

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

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

(q) Developer understands it may not sell, assign, pledge or otherwise transfer its interest in this Agreement or City Funds in whole or in part except in accordance with the terms of Section 18.21 of this Agreement, and, to the fullest extent permitted by law, agrees to indemnify the City for any losses, claims, damages or expenses relating to or based upon any sale, assignment, pledge or transfer of City Funds in violation of this Agreement; and

(r) Developer acknowledges that with respect to City Funds, the City has no obligation to provide any continuing disclosure to the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board, to any holder of a note relating to City Funds or any other person under Rule 15c2-12 of the Commission promulgated under the Securities Exchange Act of 1934 or otherwise, and shall have no liability with respect thereto.

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

8.03 Redevelopment Plan. Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan, which is hereby incorporated by reference into this Agreement.

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

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

8.06 Maintenance and Operating Covenants. Developer shall continuously occupy and maintain operation of the entirety of the Project for the duration of the Compliance Period, with the exception of recognized holidays or other closures in the normal course of business (the "Operating Covenant"). If the Developer defaults under the Operating Covenant, an Event of Default shall not be declared with respect to such default if the Developer, upon irrevocable written notice to the City (the "Extension Notice"), elects to extend the Compliance Period by one year. The one-year period during which the Extension Notice is given shall be the only cure period allowed for a default by Developer of the Operating Covenant; no other notice or cure periods shall apply thereto and if such default is not cured within such one-year period then the Compliance Period shall not be extended and an Event of Default shall exist without notice or opportunity to cure. If the Developer has not delivered a permitted Extension Notice then any default by the Developer under the Operating Covenant shall constitute an Event of Default without notice or opportunity to cure. The Developer shall be entitled to deliver a total of two, non-consecutive Extension Notices. If the Developer has delivered a total of two Extension Notices, then any subsequent default by the Developer of the Operating Covenant shall constitute an Event of Default without notice or opportunity to cure.

8.07 Employment Opportunity; Progress Reports. Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof for each Phase 1A and Phase 1B-1C. Developer shall deliver to the City (i) written progress reports on a quarterly basis; duplicates of applicable support documentation verifying the disbursement and receipt of overall Project funds ("Quarterly Reports"); and (ii) monthly reports on MBE/WBE utilization, prevailing wage and City residency (based on expenditures to-date in relation to each of the Project Budgets) ("Monthly Reports") in compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. If any such reports indicate a shortfall in compliance, Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which Developer shall correct any shortfall. The City retains the right to review draw requests which

must be accompanied by, among other things, invoices, cancelled checks, lien waivers, owner's sworn statement, general contractor's sworn statement and MBE/WBE subcontractor contract mounts and certification letters as a prerequisite for disbursement.

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

8.09 Prevailing Wage. Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, Developer shall provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 8.09. If the Prevailing Wage requirement is not met, the City will not release the Project-related City Funds and shall be a basis for the City to pursue remedies under the provisions of Section 15.02 hereof.

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

8.11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer's business, the Property or any other property in the Redevelopment Area.

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

8.13 Financial Statements. Developer shall obtain and provide to DPD Financial Statements for Developer's fiscal years ended 2022 and each year thereafter for the Term of the Agreement. In addition, Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

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

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

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

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

8.16 Developer's Liabilities. Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of Developer to any other person or entity. Developer shall immediately notify DPD of any and all events or actions which may materially affect Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

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

8.18 Recording and Filing. Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement shall be recorded prior to any mortgage

made in connection with Lender Financing. Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment of Governmental Charges. Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Developer, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to Developer, the Property or the Project including but not limited to real estate taxes.

(ii) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

(i) Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

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

(b) Developer's Failure To Pay Or Discharge Lien. If Developer fails to pay any Governmental Charge or to obtain discharge of the same, Developer shall advise DPD

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

(c) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.19(c) are covenants running with the land and this Agreement shall be recorded by Developer as a memorandum thereof, at Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions shall be binding upon Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this Section 8.19(c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of Developer, its successors or assigns, may waive and terminate Developer's covenants and agreements set forth in this Section 8.19(c).

(d) Notification to the Cook County Assessor of Change in Use and Ownership.

Prior to the Closing Date, Developer shall complete a letter of notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor that there has been a change in use and ownership of the Property. On the Closing Date, Developer shall pay to the Title Company the cost of sending the notification to the Cook County Assessor via certified mail, return receipt requested. After delivery of the notification, Developer shall forward a copy of the return receipt to DPD, with a copy to the City's Corporation Counsel's office.

8.20 Annual Report(s). The Developer shall be required to provide Annual Compliance Reports (the "Annual Compliance Report") consisting of a letter from the Developer itemizing all ongoing requirements with evidence and certification attached which is sufficient to prove that all of the ongoing requirements have been satisfied during the preceding year.

As part of the Annual Compliance Report, the Developer shall also submit a jobs report detailing the following information for each employee:

- Employee status as full-time or part-time
- ZIP code for their primary residency
- Total employment tenure in months
- Wages above or below the "Living Wage" rate as defined for that year.

The Developer will be required to provide this information annually on the anniversary of the issuance of the Phase 1A Certificate (or Phase 1B-1C Certificate, if issued) throughout the Compliance Period. Failure by the Developer to submit the Annual Compliance Report within 60 days of each anniversary will be considered an Event of Default without notice or opportunity to cure. Following this Event of Default, the Developer shall be required to pay, as liquidated damages, $10,000 for each such Event of Default.

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

8.22 Chicago Sustainable Development Policy. The Developer shall provide evidence acceptable to the City that they have complied with the Chicago Sustainable Development Policy for Phase 1A and Phase 1B-1C within one (1) year after the date of the issuance of their respective Certificate. If a default occurs under the Chicago Sustainable Development Policy requirement, the City shall have the option to reduce the amount of the Project-related City Funds in at the sole discretion of DPD by Two-hundred and Fifty Thousand Dollars ($250,000).

8.23. FOIA and Local Records Act Compliance.

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

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

(c) Local Records Act. The Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local

Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act

8.24 Landmark Designation.

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

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

8.25 Job Readiness Program. Developer shall undertake a job readiness program to work with the City through the Mayor's Office of Workforce Development to encourage the recruitment, hiring and training of City residents for the jobs created by the Project and the operation of Developer's business on the Property.

8.26 [Intentionally deleted]

8.27 [Intentionally deleted]

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

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

## SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of Developer operating on the Property (collectively, with Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

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

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

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement

with any Affiliate operating on the 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 10.01 shall be a basis for the City to pursue remedies under the provisions of Section 15.02 hereof.

10.02 City Resident Construction Worker Employment Requirement. Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of Phase 1A and Phase 1B-1C, they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code (at least 50 percent (50%) of the total worker hours worked by persons on the site of each Project respectively shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions..

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

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

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

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

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

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

When work at the Project is completed, in the event that the City has determined that Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the respective Phase 1A or Phase I1B-1C Project Budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to Developer pursuant to Section 2-92-250 of the Municipal Code may be withheld by the City pending the Chief Procurement Officer's determination as to whether Developer must surrender damages as provided in this paragraph.

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

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

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

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of Phase 1A and Phase 1B-1C, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit H hereto) shall be expended for contract participation by MBEs and by WBEs, the respective amounts of which shall be met individually and which will be taken into account for each of the Phase 1A and Phase 1B-1C Budgets:

(1) At least twenty-six percent (26%) by MBEs.
(2) At least six percent (6%) by WBEs.

(b) For purposes of this Section 10.03 only, Developer (and any party to whom a contract is let by Developer in connection with the Project) shall be deemed a "contractor" and this

Agreement (and any contract let by Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code, as applicable.

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

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

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

(f) Any reduction or waiver of Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code, as applicable. If the Developer seeks to exclude the cost of any of the applicable Project Activities from the MBE/WBE Budget as provided in Exhibit H of this Agreement, the Developer must provide DPD with a list of those Program Activities, and the estimated cost of such Program Activities the Developer wishes to be excluded. The City, in its sole discretion, will determine if said Program Activities are to be excluded from the MBE/WBE Budget. The Developer may not

request a waiver for any Project Activity and/or its associated cost after the earlier of the execution of this Agreement or the start of construction of the Project.

(g) Prior to the Closing Date, Developer shall be required to meet with the City's monitoring staff with regard to Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. Prior to the Closing Date, Developer shall be required to submit to DPD its contract with the General Contractor for review and may request copies of contracts with subcontractors. The Developer shall submit its MBE/WBE utilization plan to DPD for approval and must submit evidence acceptable to DPD that the General Contractor has met at least once with, and provided bid documents to, applicable MBE/WBE contractor associations. During the Project, Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to Developer to halt the Project, (2) withhold any further payment of any City Funds to Developer or the General Contractor, or (3) seek any other remedies against Developer available at law or in equity.

## SECTION 11. ENVIRONMENTAL MATTERS

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

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

permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or Developer or any of its Affiliates under any Environmental Laws relating to the Property.

## SECTION 12. INSURANCE

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

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

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

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

(iii) All Risk Property

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

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

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than

$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability (Primary and Umbrella)

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

(iv) Railroad Protective Liability

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

(v) All Risk /Builders Risk

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

(vi) Professional Liability

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

(vii) Valuable Papers

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

(viii) Contractors Pollution Liability

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

Post Construction:

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

(d) Other Requirements:

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

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

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

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

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

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

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

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

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

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

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

## SECTION 13. INDEMNIFICATION

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

(i) Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

(ii) Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or

(iii) the existence of any material misrepresentation or omission in this Agreement, any official statement, limited offering memorandum or private placement memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of Developer or any Affiliate of Developer; or

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

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

## SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

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

## SECTION 15. DEFAULT AND REMEDIES

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

(a) the failure of Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under this Agreement or any related agreement;

(b) the failure of Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under any other agreement with any person or

entity if such failure may have a material adverse effect on Developer's business, property, assets, operations or condition, financial or otherwise;

(c) the making or furnishing by Developer to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;

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

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

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

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

(i) the dissolution of Developer or the death of any natural person who owns a material interest in Developer;

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

(k) prior to the issuance of the Phase 1A Certificate or the Phase 1B-1C Certificate, the sale or transfer of any part of the ownership interests of Developer, except to a wholly owned entity of the Developer, without the prior written consent of the City;

For purposes of Sections 15.01(i) and 15.01(j) hereof, a person with a material interest in Developer shall be one owning in excess of seven and a half percent (7.5%) of Developer's membership, partnership or ownership interests.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and Developer are or shall be parties, suspend disbursement of City Funds, place a lien on the Project in the amount of City Funds paid, and/or seek reimbursement of any City Funds paid. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to damages, injunctive relief or the specific performance of the agreements contained herein.

15.03 Curative Period. (a) In the event Developer shall fail to perform a monetary covenant which Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event Developer shall fail to perform a non-monetary covenant which Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

(b) Notwithstanding any other provision of this Agreement to the contrary, the only cure periods, if any, applicable to the Developer's failure to comply with the Operating Covenant are those set forth in Section 8.06.

(c) The City shall have the right to cease City Funds payments, seek reimbursement for City Funds payments made to the Developer, and to terminate this Agreement if such Event of Default is not cured prior to the end of the cure period. Any year under which the Event of Default takes place and is cured within the cure period shall not count toward the required 10 years of compliance or any other obligation of the Developer under this Agreement. If two Events of Default have occurred as determined by the City and have been independently cured within the cure period as described in this paragraph, then any subsequent Event of Default shall constitute an Event of Default without notice or opportunity to cure.

## SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on Exhibit G hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "Existing Mortgages." Any mortgage or deed of trust that Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to herein as a "New Mortgage." Any New Mortgage that Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof with the prior written consent of the City is referred to herein as a "Permitted Mortgage." It is hereby agreed by and between the City and Developer as follows:

(a) In the event that a mortgagee or any other party shall succeed to Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with Section 18.14 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) In the event that any mortgagee shall succeed to Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with Section 18.14 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of Developer which accrued prior to the time such party succeeded to the interest of Developer under this Agreement, in which case Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to Developer of a Phase 1A Certificate or Phase 1B-1C Certificate pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD.

## SECTION 17. NOTICE

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

| **If to the City**: | **If to Developer:** |
|---|---|
| City of Chicago<br>Department of Planning and Development<br>121 North LaSalle Street, Room 1000<br>Chicago, Illinois 60602<br>Attention: Commissioner | Englewood Connect, LLC<br>120 North Racine Avenue, 2nd Floor<br>Chicago, Illinois 60607<br>Attention: _____ |
| With Copies To: | With Copies To: |
| City of Chicago<br>Department of Law<br>121 North LaSalle Street, Room 600<br>Chicago, Illinois 60602<br>Attention: Finance and Economic Development Division | Neal & Leroy, LLC<br>20 South Clark, Suite 2050<br>Chicago, Illinois 60603<br>Attention: Carol D. Stubblefield |

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

## SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement the Redevelopment Plan without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than ninety (90) days.

18.02 Entire Agreement. This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties

hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

18.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

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

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

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

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

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

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

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

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

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

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

18.14 Assignment. Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Any successor in interest to Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 Real Estate Provisions and 8.23 (Survival of Covenants) hereof, for the Term of the Agreement. Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

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

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

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

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

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

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

ENGLEWOOD CONNECT, LLC

By:_____

Its:_____

CITY OF CHICAGO

By:_____
Maurice D. Cox
Commissioner
City of Chicago
Department of Planning and Development

STATE OF ILLINOIS )
) SS
COUNTY OF COOK )

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

GIVEN under my hand and official seal this ___ day of _____, 2022.

_____
Notary Public

My Commission Expires_____

(SEAL)

STATE OF ILLINOIS )
) SS
COUNTY OF COOK )

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

GIVEN under my hand and official seal this ___ day of _____, 2022.

_____
Notary Public

My Commission Expires_____

EXHIBIT A

REDEVELOPMENT AREA

[To be attached at Closing Date]

EXHIBIT B

PROPERTY
[Subject to Survey and Title Insurance]

**EXHIBIT B**

**LEGAL DESCRIPTION OF PROPERTY**

PARCEL 1 (PHASE 1A AND PHASE 1B):

THAT PART OF LOT 3 IN HALSTED PARKWAY RESUBDIVISION, BEING A RESUBDIVISION OF PART OF THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED ON MARCH 30, 2015 AS DOCUMENT 1508916071, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 3; THENCE NORTH 01 DEGREES 31 MINUTES 47 SECONDS WEST, ALONG AND EAST LINE OF SAID LOT 3, A DISTANCE OF 62.85 FEET TO A POINT ON THE SOUTH LINE OF S. GREEN STREET, SAID POINT ALSO BEING A NORTHEAST CORNER OF SAID LOT 3; THENCE SOUTH 88 DEGREES 28 MINUTES 13 SECONDS WEST, ALONG A NORTH LINE OF SAID LOT 3 AND THE SOUTH LINE OF SAID S. GREEN STREET, 66.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 88 DEGREES 28 MINUTES 13 SECONDS WEST, ALONG THE WESTERLY EXTENSION OF THE LAST DESCRIBED LINE, 316.55 FEET TO A POINT ON A WESTERLY LINE OF SAID LOT 3; THENCE ALONG WESTERLY, SOUTHERLY, NORTHERLY AND EASTERLY LINES OF SAID LOT 3 FOR THE NEXT EIGHT COURSES; THENCE NORTHEASTERLY 144.06 FEET, ALONG THE ARC OF A NON-TANGENT ARC TO THE RIGHT, HAVING A RADIUS OF 211.17 FEET AND A CHORD BEARING NORTH 28 DEGREES 17 MINUTES 02 SECONDS EAST 141.29 FEET TO A POINT ON A NON-TANGENT CURVE; THENCE WESTERLY 22.98 FEET, ALONG THE ARC OF A NON-TANGENT ARC TO THE RIGHT, HAVING A RADIUS OF 138.00 FEET AND A CHORD BEARING NORTH 56 DEGREES 17 MINUTES 53 SECONDS WEST, 22.95 FEET TO A POINT OF TANGENCY; THENCE NORTH 51 DEGREES 31 MINUTES 41 SECONDS WEST, 18.78 FEET; THENCE NORTH 38 DEGREES 28 MINUTES 19 SECONDS EAST, 20.00 FEET; THENCE SOUTH 51 DEGREES 31 MINUTES 41 SECONDS EAST, 18.78 FEET TO A POINT OF CURVATURE; THENCE SOUTHEASTERLY 82.36 FEET, ALONG THE ARC OF A TANGENT ARC TO THE LEFT, HAVING A RADIUS OF 118.00 FEET AND A CHORD BEARING SOUTH 71 DEGREES 31 MINUTES 21 SECONDS EAST, 80.69 FEET TO A POINT OF TANGENCY; THENCE NORTH 88 DEGREES 29 MINUTES 00 SECONDS EAST, 176.38 FEET; THENCE SOUTH 01 DEGREES 31 MINUTES 41 SECONDS EAST, 123.50 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (PHASE 1C):

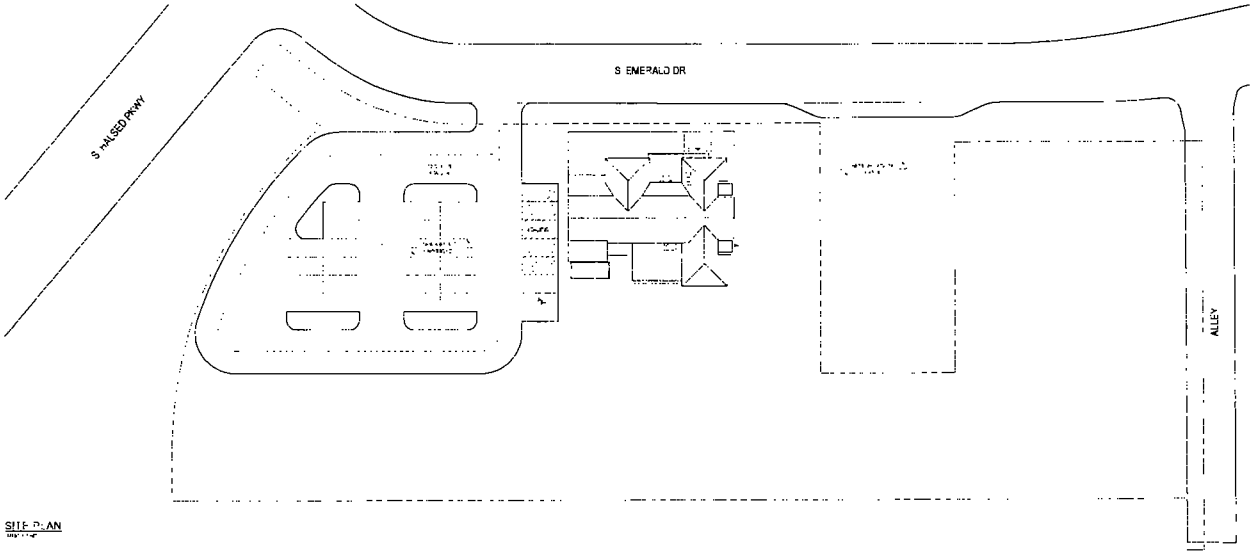
LOTS 23 THROUGH 26, BOTH INCLUSIVE IN EHRLER & HESSERT'S SUBDIVISION OF THE NORTH 5-1/3 ACRES OF THE SOUTH 9-1/2 ACRES OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST SECTION 17, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING THEREFROM LOTS 6 AND 7 IN HALSTED PARKWAY RESUBDIVISION RECORDED ON MARCH 30, 2015 AS DOCUMENT 1508916071) IN COOK COUNTY, ILLINOIS.

PINS: 20-17-431-034 (portion)
20-17-431-001
20-17-431-002

EXHIBIT C

SITE PLAN

(attached)




1 SITE PLAN

ENGLEWOOD CONVOY PHASE 1A

MCAURIN DEVELOPMENT PARTNERS

SOM

SITE PLAN

A-001

EXHIBIT D

(Intentionally Omitted)

EXHIBIT E

CONSTRUCTION CONTRACT

[To be attached at Closing Date]

EXHIBIT F

(Intentionally Omitted)

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

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

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

EXHIBIT H

PROJECT BUDGET

(attached)

## PHASE 1A - PROJECT BUDGET

| Acquisition | Project Budget $ | 1 | MBE/WBE Budget | TIF - Eligible Budget $ | 1 |
|---|---|---|---|---|---|
| **Hard Costs** | | | | | |
| General Requirements | $ | - | $ - | $ | - |
| Existing Conditions | $ | 100,000 | $ 100,000 | $ | 100,000 |
| Concrete | $ | 56,965 | $ 56,965 | $ | 56,965 |
| Masonry | $ | 203,000 | $ 203,000 | $ | 203,000 |
| Metals | $ | 178,000 | $ 178,000 | $ | 178,000 |
| Woods & Plastics | $ | 205,771 | $ 205,771 | $ | 205,771 |
| Thermal & Moisture | $ | 94,177 | $ 94,177 | $ | 94,177 |
| Doors & Windows | $ | 296,050 | $ 296,050 | $ | 296,050 |
| Finishes | $ | 421,205 | $ 421,205 | $ | 421,205 |
| Specialties | $ | 77,900 | $ 77,900 | $ | 77,900 |
| Furnishings | $ | 33,500 | $ 33,500 | $ | 33,500 |
| Conveying System | $ | 84,500 | $ 84,500 | $ | 84,500 |
| Fire Suppression | $ | 79,050 | $ 79,050 | $ | 79,050 |
| Plumbing | $ | 240,000 | $ 240,000 | $ | 240,000 |
| Heating, Ventilating, and Air Conditioning | $ | 511,500 | $ 511,500 | $ | 511,500 |
| Electrical | $ | 835,500 | $ 835,500 | $ | 835,500 |
| Earthwork | $ | 242,000 | $ 242,000 | $ | 242,000 |
| Exterior Improvements | $ | 395,281 | $ 395,281 | $ | - |
| Site Utilities | $ | 160,000 | $ 160,000 | $ | - |
| Furniture, Fixtures, Equipment | $ | 250,000 | $ 250,000 | $ | - |
| Hard Cost Contingency | $ | 441,440 | $ 441,440 | $ | 329,257 |
| **Total Hard Costs** | **$** | **4,905,839** | **$ 4,905,839** | **$** | **3,988,375** |
| **Soft Costs/Fees** | | | | | |
| Architect/Engineering | $ | 1,012,500 | $ - | $ | 823,148 |
| Project Management | $ | 200,000 | $ - | $ | - |
| Developer Fee | $ | 600,000 | $ - | $ | - |
| Closing Fees | $ | 27,500 | $ - | $ | - |
| General Conditions & Requirements | $ | 801,252 | $ 801,252 | $ | 651,406 |
| Overhead | $ | 109,000 | $ - | $ | - |
| Contingency | $ | 84,250 | $ - | $ | 68,494 |
| **Total Soft Costs** | **$** | **2,834,502** | **$ 801,252** | **$** | **1,543,048** |
| **Total** | **$** | **7,740,342** | **$ 5,707,091** | **$** | **5,531,424** |

| | | | |
|---|---|---|---|
| **MBE** | **26%** | **$** | **1,483,844** |
| **WBE** | **6%** | **$** | **342,425** |

## PHASE 1B-1C -PROJECT BUDGET

| | Project Budget | MBE/WBE Budget | TIF - Eligible Budget |
|---|---|---|---|
| **Acquisition** | **$ -** | | **$ -** |
| **Hard Costs** | | | |
| General Requirements | $ 25,000 | $ 25,000 | $ 25,000 |
| Existing Conditions | $ - | $ - | $ - |
| Concrete | $ 396,600 | $ 396,600 | $ - |
| Masonry | $ - | $ - | $ - |
| Metals | $ - | $ - | $ - |
| Woods & Plastics | $ 299,220 | $ 299,220 | $ - |
| Thermal & Moisture | $ 300,510 | $ 300,510 | $ - |
| Doors & Windows | $ 1,076,000 | $ 1,076,000 | $ - |
| Finishes | $ 79,640 | $ 79,640 | $ - |
| Specialties | $ - | $ - | $ - |
| Furnishings | $ - | $ - | $ - |
| Conveying System | $ - | $ - | $ - |
| Fire Suppression | $ 43,200 | $ 43,200 | $ - |
| Plumbing | $ 180,000 | $ 180,000 | $ - |
| Heating, Ventilating, and Air Conditioning | $ 201,600 | $ 201,600 | $ - |
| Electrical | $ 166,000 | $ 166,000 | $ - |
| Earthwork | $ 401,500 | $ 401,500 | $ 401,500 |
| Exterior Improvements | $ 254,670 | $ 254,670 | $ - |
| Site Utilities | $ 185,000 | $ 185,000 | $ - |
| Furniture, Fixtures, Equipment | $ 25,000 | $ 25,000 | $ - |
| Hard Cost Contingency | $ 363,394 | $ 363,394 | $ 38,773 |
| **Total Hard Costs** | **$ 3,997,334** | **$ 3,997,334** | **$ 465,273** |
| **Soft Costs/Fees** | | | |
| Architect/Engineering | $ 650,000 | $ - | $ - |
| Project Management | $ 200,000 | $ - | $ - |
| Developer Fee | $ 500,000 | $ - | $ - |
| Closing Fees | $ 13,750 | $ - | $ - |
| General Conditions & Requirements | $ 659,590 | $ 659,590 | $ 76,773 |
| Overhead | $ 88,668 | $ - | $ - |
| Contingency | $ 100,000 | $ - | $ 11,640 |
| **Total Soft Costs** | **$ 2,212,008** | **$ 659,590** | **$ 88,413** |
| **Total** | **$ 6,209,342** | **$ 4,656,924** | **$ 553,686** |

| | | |
|---|---|---|
| **MBE** | **26%** | **$ 1,210,800** |
| **WBE** | **6%** | **$ 279,415** |

## PHASE 1A-C - PROJECT BUDGET

| | Project Budget | MBE/WBE Budget | TIF - Eligible Budget |
|---|---|---|---|
| **Acquisition** | **$ 1** | **$ -** | **$ 1** |
| **Hard Costs** | | | |
| General Requirements | $ 25,000 | $ 25,000 | $ 25,000 |
| Existing Conditions | $ 100,000 | $ 100,000 | $ 100,000 |
| Concrete | $ 453,565 | $ 453,565 | $ 56,965 |
| Masonry | $ 203,000 | $ 203,000 | $ 203,000 |
| Metals | $ 178,000 | $ 178,000 | $ 178,000 |
| Woods & Plastics | $ 504,991 | $ 504,991 | $ 205,771 |
| Thermal & Moisture | $ 394,687 | $ 394,687 | $ 94,177 |
| Doors & Windows | $ 1,372,050 | $ 1,372,050 | $ 296,050 |
| Finishes | $ 500,845 | $ 500,845 | $ 421,205 |
| Specialties | $ 77,900 | $ 77,900 | $ 77,900 |
| Furnishings | $ 33,500 | $ 33,500 | $ 33,500 |
| Conveying System | $ 84,500 | $ 84,500 | $ 84,500 |
| Fire Suppression | $ 122,250 | $ 122,250 | $ 79,050 |
| Plumbing | $ 420,000 | $ 420,000 | $ 240,000 |
| Heating, Ventilating, and Air Conditioning | $ 713,100 | $ 713,100 | $ 511,500 |
| Electrical | $ 1,001,500 | $ 1,001,500 | $ 835,500 |
| Earthwork | $ 643,500 | $ 643,500 | $ 643,500 |
| Exterior Improvements | $ 649,951 | $ 649,951 | $ - |
| Site Utilities | $ 345,000 | $ 345,000 | $ - |
| Furniture, Fixtures, Equipment | $ 275,000 | $ 275,000 | $ - |
| Hard Cost Contingency | $ 804,834 | $ 804,834 | $ 368,030 |
| **Total Hard Costs** | **$ 8,903,173** | **$ 8,903,173** | **$ 4,453,648** |
| **Soft Costs/Fees** | | | |
| Architect/Engineering | $ 1,662,500 | $ - | $ 823,148 |
| Project Management | $ 400,000 | $ - | $ - |
| Developer Fee | $ 1,100,000 | $ - | $ - |
| Closing Fees | $ 41,250 | $ - | $ - |
| General Conditions & Requirements | $ 1,460,842 | $ 1,460,842 | $ 728,180 |
| Overhead | $ 197,668 | $ - | $ - |
| Contingency | $ 184,250 | $ - | $ 80,134 |
| **Total Soft Costs** | **$ 5,046,510** | **$ 1,460,842** | **$ 1,631,461** |
| **Total** | **$ 13,949,684** | **$ 10,364,015** | **$ 6,085,109** |

| | | |
|---|---|---|
| **MBE** | **26%** | **$ 2,694,644** |
| **WBE** | **6%** | **$ 621,841** |

EXHIBIT I

APPROVED PRIOR EXPENDITURES

**Phase 1A**

[To be inserted at Closing Date or such other time acceptable to DPD]

**Phase1B-1C**

[To be inserted at Closing Date or such other time acceptable to DPD]

EXHIBIT J

OPINION OF DEVELOPER'S COUNSEL

[To be retyped on Developer's Counsel's letterhead]

_____, 2022

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to Englewood Connect, LLC, an Illinois limited liability company (the "Developer"), in connection with the purchase of certain land and the rehabilitation and construction of certain Facilities (as defined below) thereon located in the Englewood Mall Tax Increment Financing Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

(a) Englewood Connect, LLC Redevelopment Agreement (the "Agreement") of even date herewith, executed by Developer and the City of Chicago (the "City");

(b)

(c) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, we have examined:

(a) the original or certified, conformed or photostatic copies of Developer's (i) Articles of Organization, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which Developer is qualified to do business, (iii) Operating Agreement, as amended to date, and (iv) records relating to the Project; and

(b) such other documents, records and legal matters as we have deemed necessary or relevant for purposes of issuing the opinions hereinafter expressed.

In all such examinations, we have assumed the genuineness of all signatures (other than those of Developer), the authenticity of documents submitted to us as originals and conformity to the originals of all documents submitted to us as certified, conformed or photostatic copies.

Based on the foregoing, it is our opinion that:

1. Developer is a company duly organized, validly existing and in good standing under the laws of its state of organization, has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign entity under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

2. Developer has full right, power and authority to execute and deliver the Documents to which it is a party and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, Developer's Articles of Organization or Operating Agreement or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which Developer is a party or by which Developer or its properties is bound. To the best of our knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture, undertaking or other instrument to which Developer is a party or by which it or any of its property may be bound, or result in the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its property pursuant to the provisions of any of the foregoing, other than liens or security interests in favor of the lender providing Lender Financing (as defined in the Agreement).

3. The execution and delivery of each Document and the performance of the transactions contemplated thereby have been duly authorized and approved by all requisite action on the part of Developer.

4. Each of the Documents to which Developer is a party has been duly executed and delivered by a duly authorized officer of Developer, and each such Document constitutes the legal, valid and binding obligation of Developer, enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency or similar laws affecting the enforcement of creditors' rights generally.

5. Exhibit A attached hereto (a) identifies each class of units of Developer, (b) sets forth the number of issued and authorized units of each class, and (c) identifies the record owners of shares of each class of units of Developer and the number of units held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the units of Developer. Each outstanding unit of the Developer is duly authorized, validly issued, fully paid and nonassessable.

6. To the best of our knowledge after diligent inquiry, no judgments are outstanding against Developer, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against Developer or affecting Developer or its property, or seeking to restrain or enjoin the performance by Developer of the Agreement or the transactions contemplated by the Agreement, or contesting the validity thereof. To the best of our knowledge after diligent inquiry, Developer is not in default with respect to any order, writ, injunction or decree of any court, government or regulatory authority or in default in any respect under any law, order,

regulation or demand of any governmental agency or instrumentality, a default under which would have a material adverse effect on Developer or its business.

7. To the best of our knowledge after diligent inquiry, there is no default by Developer or any other party under any material contract, lease, agreement, instrument or commitment to which Developer is a party or by which the company or its properties is bound.

8. To the best of our knowledge after diligent inquiry, all of the assets of Developer are free and clear of mortgages, liens, pledges, security interests and encumbrances except for those specifically set forth in the Documents.

9. The execution, delivery and performance of the Documents by Developer have not and will not require the consent of any person or the giving of notice to, any exemption by, any registration, declaration or filing with or any taking of any other actions in respect of, any person, including without limitation any court, government or regulatory authority.

10. To the best of our knowledge after diligent inquiry, Developer owns or possesses or is licensed or otherwise has the right to use all licenses, permits and other governmental approvals and authorizations, operating authorities, certificates of public convenience, goods carriers permits, authorizations and other rights that are necessary for the operation of its business.

11. A federal or state court sitting in the State of Illinois and applying the choice of law provisions of the State of Illinois would enforce the choice of law contained in the Documents and apply the law of the State of Illinois to the transactions evidenced thereby.

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than federal laws of the United States of America and the laws of the State of Illinois.

This opinion is issued at Developer's request for the benefit of the City and its counsel, and may not be disclosed to or relied upon by any other person.

Very truly yours,

_____

By:_____
Name:_____

EXHIBIT K

(Intentionally Omitted)

EXHIBIT L-1

REQUISITION FORM – Phase 1A

STATE OF ILLINOIS )
) SS
COUNTY OF COOK )

The affiant, _____, _____ of Englewood Connect, LLC, an Illinois limited liability company (the "Developer"), hereby certifies that with respect to that certain Englewood Connect, LLC Redevelopment Agreement between Developer and the City of Chicago dated _____, ____ (the "Agreement"):

A. Expenditures for the Project, in the total amount of $_____, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date:

$_____

C. Developer requests reimbursement for the following cost of TIF-Funded Improvements:

$_____

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and Developer is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

All capitalized terms which are not defined herein has the meanings given such terms in the Agreement.

[Developer]

By:_____
Name
Title:_____

Subscribed and sworn before me this ___ day of _____
_____.

_____
My commission expires:_____

Agreed and accepted:

_____
Name
Title:_____
City of Chicago
Department of Planning and Development

EXHIBIT L-2

REQUISITION FORM – Phase 1B-1C

STATE OF ILLINOIS )
) SS
COUNTY OF COOK )

The affiant, _____ of Englewood Connect, LLC, an Illinois limited liability company (the "Developer"), hereby certifies that with respect to that certain Englewood Connect, LLC Redevelopment Agreement between Developer and the City of Chicago dated _____, ____ (the "Agreement"):

A. Expenditures for the Project, in the total amount of $_____, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date:

$_____

C. Developer requests reimbursement for the following cost of TIF-Funded Improvements:

$_____

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and Developer is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

All capitalized terms which are not defined herein has the meanings given such terms in the Agreement.

[Developer]

By:_____
Name
Title:_____

Subscribed and sworn before me this ___ day of _____
_____.

_____
My commission expires:_____

Agreed and accepted:

_____
Name
Title:_____
City of Chicago
Department of Planning and Development

EXHIBIT M

(Intentionally Omitted)

EXHIBIT N

FORM OF SUBORDINATION AGREEMENT

[To be attached at Closing Date]

EXHIBIT O

FORM OF PAYMENT BOND

[To be attached at Closing Date]

# 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:

Englewood Connect LLC

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

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant

OR

2. [ ] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: _____

OR

3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

_____

B. Business address of the Disclosing Party: 120 N. Racine Ave., 2nd Floor
Chicago, IL 60607

C. Telephone: (312) 263-4660 Fax: (312) 819-4153 Email: zeb@mclaurindev.com

D. Name of contact person: Zeb McLaurin

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

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

conveyance of city-owned land and economic incentives/6204 S. Green St - 63rd Halsted ISW RFP

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

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

Specification # NA and Contract # NA

## 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
[x] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

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

NA

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

NA

[ ] Yes [ ] No [x] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

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

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

| Name | Title |
|---|---|
| Zeb McLaurin | Managing Member |

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

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

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

| Name | Business Address | Percentage Interest in the Applicant |
|---|---|---|
| Zeb McLaurin | 120 N. Racine Ave., 2nd Flr., Chicago, IL 60607 | |
| Goodman Holdings, LLC | 120 N. Racine Ave., Ste 200, Chicago, IL 60607 | 20% |

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

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

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

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

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

[ ] Yes [x] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

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

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

| Name (indicate whether retained or anticipated to be retained) | Business Address | Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.) | Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response. |
|---|---|---|---|
| Retained: Neal & Leroy, LLC, 20 S. Clark, Suite 2050 Chicago IL 60603, Attorney - Est. $25,000 | | | |
| Retained: Skidmore Owings & Merrill, 224 S. Michigan Ave., Suite 1000, Chicago, IL 60604, Architect/Engineer - Est. $100,000 | | | |
| Retained: SpaceCo, 9575 W. Higgins Rd., Suite 700, Rosemont, IL 60018, Surveyor - Est. $10,000 | | | |

(Add sheets if necessary)

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

**SECTION V -- CERTIFICATIONS**

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

[ ] Yes [x] No [ ] 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?

NA

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

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

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

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

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

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

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

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
   - the Disclosing Party;
   - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
   - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
   - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

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

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

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

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

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

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

NA

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

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

NA

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NA

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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

[ ] is [x] is not

a "financial institution" as defined in MCC Section 2-32-455(b).

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

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

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

_____

_____

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

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

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

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

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

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

Does the Matter involve a City Property Sale?

[ 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 financial interest and identify the nature of the financial interest:

| Name | Business Address | Nature of Financial 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 (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.

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

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

_____

_____

_____

**SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS**

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

A. CERTIFICATION REGARDING LOBBYING

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

_____

_____

_____

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

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

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

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

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

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

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?
[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No [ ] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

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

_____

_____

## SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

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

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

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

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

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

## CERTIFICATION

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

Englewood Connect LLC

(Print or type exact legal name of Disclosing Party)

By: _____

(Sign here)

Zeb McLaurin

(Print or type name of person signing)

Managing Member

(Print or type title of person signing)

Signed and sworn to before me on (date) May 25, 2022.

at Cook County, Illinois (state).

Melanie Webber

Notary Public

Commission expires: 4/17/2026

MELANIE WEBBER
OFFICIAL SEAL
Notary Public - State of Illinois
My Commission Expires Apr 17, 2026

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

## FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

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

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

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

[ ] Yes [x] No

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

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

## BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

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

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

[ ] Yes [x] No

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

[ ] Yes [ ] No [x] The Applicant is not publicly traded on any exchange.

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

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

## PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

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

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

[ ] Yes

[ ] No

[x] N/A – I am not an Applicant that is a "contractor" as defined in MCC Section 2-92-385.

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

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

_____

_____

_____

# 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:

Goodman Holdings, LLC

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

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant

OR

2. [x] a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: Englewood Connect LLC

OR

3. [ ] a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 120 N. Racine Ave., Suite 200
Chicago, IL 60607

C. Telephone: 312-952-0000 Fax: _____ Email: sgoodman@farpointdev.com

D. Name of contact person: Scott Goodman

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

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

Englewood Connect LLC
conveyance of city-owned land and economic incentives/6204 S. Green St - 63rd Halsted ISW RFP

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

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

Specification # NA and Contract # NA

## 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
[ x] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

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

NA

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

NA

[ ] Yes [ ] No [ x] Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

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

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

| Name | Title |
|---|---|
| Scott Goodman | Managing Member |

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

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

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

| Name | Business Address | Percentage Interest in the Applicant |
|---|---|---|
| Scott Goodman | 120 N. Racine Ave., Suite 200, Chicago, IL 60607 | 14% |

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

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

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

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

NA

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

[ ] Yes [x] No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

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

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

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

(Add sheets if necessary)

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

**SECTION V -- CERTIFICATIONS**

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

[ ] Yes [x] No [ ] 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?

NA

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

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

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

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

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

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

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

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:
   - the Disclosing Party;
   - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
   - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
   - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

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

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

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

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

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

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

NA

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

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

NA

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NA

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)
[ ] is [x] is not

a "financial institution" as defined in MCC Section 2-32-455(b).

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

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

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

_____

_____

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

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

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

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

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

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

Does the Matter involve a City Property Sale?

[ 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 financial interest and identify the nature of the financial interest:

| Name | Business Address | Nature of Financial 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 (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.

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

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

_____

_____

_____

**SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS**

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

A. CERTIFICATION REGARDING LOBBYING

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

_____

_____

_____

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

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

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

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

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

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

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?
[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No [ ] Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

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

_____

_____

## SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

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

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

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

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

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

**CERTIFICATION**

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

Goodman Holdings, LLC
(Print or type exact legal name of Disclosing Party)

By: _____
(Sign here)

Scott Goodman
(Print or type name of person signing)

Managing Member
(Print or type title of person signing)

Signed and sworn to before me on (date) May 25, 2022.

at Cook County, Illinois (state).

Melanie L Webber
Notary Public

Commission expires: 04/17/2026

MELANIE WEBBER
OFFICIAL SEAL
Notary Public - State of Illinois
My Commission Expires Apr 17, 2026

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

## FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

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

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

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

[ ] Yes [x] No

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

_____

_____

_____

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

## BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

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

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

[ ] Yes [x] No

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

[ ] Yes [ ] No [x] The Applicant is not publicly traded on any exchange.

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

_____

_____

_____

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

## PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

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

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

[ ] Yes

[ ] No

[x] N/A – I am not an Applicant that is a "contractor" as defined in MCC Section 2-92-385.

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

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

_____

_____

_____