

## Contract Summary Sheet

**Contract (PO) Number:** 13082

**Specification Number:** 51805

**Name of Contractor:** BISHOP PLAZA LLC

**City Department:** PLANNING & DEVELOPMENT

**Title of Contract:** Redevelopment Agreement: 142 W. 47th Street

**Dollar Amount of Contract (or maximum compensation if a Term Agreement) (DUR):**

\$2,200,000.00

**PO Start Date:** 4/12/2006

**PO End Date:** 3/27/2025

**Brief Description of Work:** Redevelopment Agreement: 142 W. 47th Street

**Procurement Services Contact Person:** THOMAS DZIEDZIC

**Vendor Number:** 50071047

**Submission Date:** OCT 16 2006

(the "*Journal*") of such date, a certain redevelopment plan and project (the "Plan") for the 47<sup>th</sup>/Ashland Redevelopment Project area (the "Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1, et seq.) (the "Act"); and

WHEREAS, Pursuant to an ordinance adopted by the City Council on March 27, 2002 and published at pages 81627 to 81639 of the *Journal* of such date, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, Pursuant to an ordinance (the "T.I.F. Ordinance") adopted by the City Council on March 27, 2002 and published at pages 81641 to 81652 of the *Journal* of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, Bishop Plaza, L.L.C., an Illinois limited liability company (the "Company"), has acquired a seventy-five thousand six hundred ninety-nine (75,699) square foot site (the "Site") located within the Area and shall commence and complete rehabilitation, construction, environmental remediation and redesign of the Site for the development of a retail shopping area (the "Project"), in order to operate the Project and lease space to commercial tenants, which currently employ approximately twenty (20) persons, on the Site, with an additional one hundred (100) jobs to be created upon completion of the Project; and

WHEREAS, The Company has proposed to undertake the redevelopment of the Site in accordance with the Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Company and the City, including but not limited to construction and rehabilitation of the facilities and retention and creation of the jobs, to be financed in part by (i) all or a portion of the incremental taxes, if any, deposited in the 47<sup>th</sup>/Ashland Redevelopment Project Area Special Tax Allocation Fund (as defined in the T.I.F. Ordinance) pursuant to Section 5/11-74.4-8(b) of the Act ("Incremental Taxes"); and (ii) all or a portion of the proceeds of bonds secured by Incremental Taxes, if any; and

WHEREAS, Pursuant to Resolution 03-CDC-77 adopted by the Community Development Commission of the City of Chicago (the "Commission") on October 14, 2003, the Commission authorized the City's Department of Planning and Development ("D.P.D.") to publish notice pursuant to Section 5/11-74.4(c) of the Act of its intention to negotiate a redevelopment agreement with the Company for the Project and to request alternative proposals for redevelopment of the Site or a portion thereof; and

WHEREAS, D.P.D. published the notice, requested alternative proposals for the redevelopment of the Site or a portion thereof and provided reasonable opportunity for other persons to submit alternative bids or proposals; and

WHEREAS, Since no other responsive proposals were received by D.P.D. for the redevelopment of the Site or a portion thereof within thirty (30) days after such publication, pursuant to Resolution 03-CDC-77, the Commission has recommended that the Company be designated as the developer for the Project and that D.P.D. be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Company for the Project; now, therefore,

*Be It Ordained by the City Council of the City of Chicago:*

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

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

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

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

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

SECTION 6. This ordinance shall be in full force and effect immediately upon its passage.

Exhibit "A" referred to in this ordinance reads as follows:

[leave blank 3" x 5" space for recorder's office]

2056426 MTC  
Fairie (4)



Doc#: 0610244090 Fee: \$188.50  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 04/12/2006 03:53 PM Pg: 1 of 83

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

## BISHOP PLAZA, L.L.C. REDEVELOPMENT AGREEMENT

This Bishop Plaza, L.L.C. Redevelopment Agreement (the "**Agreement**") is made as of this 12<sup>th</sup> day of April, 2006, by and between the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Planning and Development ("**DPD**"), and Bishop Plaza, L.L.C., an Illinois limited liability company ("**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 and 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 under the provisions of the Act, the City Council of the City (the "City Council") adopted the following ordinances on March 27, 2002: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 47th/Ashland Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the 47th/Ashland Redevelopment Project Area as a Redevelopment Project Area Pursuant to Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 47th/Ashland Redevelopment Project Area" (the "TIF Adoption Ordinance"). Collectively the three ordinances are defined as the "TIF Ordinances". The redevelopment project area (the "Redevelopment Area") is legally described in Exhibit A.

D. The Project: The Developer has purchased (the "Acquisition") certain property located within the Redevelopment Area at 47<sup>th</sup> and Bishop Street, Chicago, Illinois and legally described on Exhibit B hereto (the "Property"), which were formerly the site of the Bishop Plaza Shopping Center including a Jewel store and a gas service station and, within the time frames set forth in Section 3.01 hereof, shall commence and complete rehabilitation of an approximately 56,309 square foot building, construction of an approximately 6,000 square foot building, environmental remediation of the former gas station location and redesign of the current parking on the Property for the development of retail shopping area (the "Facility") thereon. Upon completion, the Project will be owned by Developer. Developer will operate the Project and lease space to commercial tenants. The Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago 47th/Ashland Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project dated September 26, 2001 and revised January 30, 2002 (the "Redevelopment Plan") attached as Exhibit D, as amended from time-to-time.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) the proceeds of the City Note (defined below) and/or (ii) Available 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 and the City Note.

In addition, the City may, in its discretion, issue tax increment allocation bonds ("TIF Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "TIF Bond Ordinance") at a later date as described in Section 4.03(d) hereof, the proceeds of which (the "TIF Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Available Incremental Taxes (including any such payment made pursuant to any City Note provided to the Developer pursuant to this Agreement), to make payments of principal and interest on the City Note, or in order to reimburse the City for the costs of TIF-Funded Improvements.

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

## SECTION 1. RECITALS

The foregoing recitals are hereby incorporated into this agreement by reference.

## 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:

"47th/Ashland Redevelopment Project Area Special Tax Allocation Fund" means the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Available Incremental Taxes (as defined below) will be deposited.

"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 the Developer.

"Available Incremental Taxes" shall mean an amount equal to 95% of the Incremental Taxes deposited after the Closing Date in the 47th / Ashland Redevelopment Project Area Special Tax Allocation Fund attributable to the taxes levied on the Property.

"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.

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

"Certificate of Expenditure" shall mean any Certificate of Expenditure referenced in the City Note pursuant to which the principal amount of the City Note will be established.

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

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

"City Funds" shall mean the funds paid to the Developer pursuant to the City Note.

"City Note" shall mean the Tax Increment Allocation Revenue Note (47<sup>th</sup>/Ashland Redevelopment Project), Taxable Series A, to be in the form attached hereto as Exhibit M, in the maximum principal amount of \$2,200,000, issued by the City to the Developer on or as of the date hereof. The City Note shall bear interest at an annual rate of eight percent (8%) and shall provide for accrued, but unpaid, interest to bear interest at the same annual rate.

"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.

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

"Corporation Counsel" shall mean the City's Office of Corporation Counsel.

"Employer(s)" shall have the meaning set forth in Section 10 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 of Chicago, including but not limited to Sections 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560.

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

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

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

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

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

"Financial Statements" shall mean complete audited financial statements of the 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 the Developer pursuant to Section 6.01.

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

"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 47th/Ashland Redevelopment Project Area Special Tax Allocation Fund" established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

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

"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.

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit H-2, as described in Section 10.03.

"Municipal Code" shall mean the Municipal Code of the City of Chicago.



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

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

"Plans and Specifications" shall mean final 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.

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

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

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

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

"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.

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit L, to be delivered by the 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.

"Survey" shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property dated within 45 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 ending on the date on which the Redevelopment Area is no longer in effect (through and including March 27, 2025).

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

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

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

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

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

"Title Company" shall mean Mercury Title Company, L.L.C.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the 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.

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

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

### **SECTION 3. THE PROJECT**

3.01 The Project. With respect to the Facility, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence construction no later than September 1, 2006; and (ii) complete construction and conduct business operations therein no later than one year from the commencement date of construction.

3.02 Scope Drawings and Plans and Specifications. The 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 for approval or for informational purposes 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. The Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than Eight Million Two Hundred Fifty Thousand Dollars (\$8,250,000). The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity described in Section 4.02 hereof, shall be sufficient to complete the Project. The Developer hereby certifies to the City that (a) it has Lender Financing and Equity in an amount sufficient to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget as set forth in Section 3.04 hereof.

3.04 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the 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 the Developer to DPD for DPD's prior written approval: (a) a 5% or greater reduction in the square footage of the Facility; (b) a change in the use of the Property to a use other than as a planned retail center, as described in Section 8.06; (c) a six month or greater delay in the completion of the Project; or (d) Change Orders costing more than \$50,000 each, to an aggregate amount of \$200,000. The 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 the Developer of DPD's written approval (to the extent required in this section). 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 the Developer. Notwithstanding anything to the contrary in this Section 3.04, Change Orders costing less than Fifty Thousand Dollars (\$50,000.00) each, to an aggregate amount of Two Hundred Thousand Dollars (\$200,000.00), 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 prior to the implementation thereof and the Developer, in connection with such notice, shall identify to DPD the source of funding therefor.

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, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. The Developer shall not commence construction of the Project until the 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. The Developer shall provide DPD with written quarterly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date of six months or more being considered a Change Order, requiring DPD's written approval pursuant to Section 3.04). The Developer shall provide such other progress reports as may be requested by DPD and as set forth in Section 8.06. The Developer shall provide three (3) copies of an updated Survey to DPD upon the request of DPD or any lender providing Lender Financing, reflecting improvements made to the Property.

3.08 Inspecting Agent or Architect. An independent agent or architect (which may be the same architect as that used by a lender providing Lender Financing, but which in no event may be the Developer's architect) approved by DPD shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Project hereunder. If the inspecting architect is not the same architect as that used by a lender providing Lender Financing, Developer shall be notified of the inspecting party's name, address and phone number promptly after their selection and shall be provided with copies of any written reports produced by such party. Fees shall be reasonable and customary.

3.09 Barricades. Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and regulations. 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. The 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 the Developer, the Property and the Project in the City's promotional literature and communications.

3.11 Utility Connections. The 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 the 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, the 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. The cost of the Project is estimated to be \$10,125,151, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to <u>Sections 4.03 and 4.06</u> )	\$ 2,462,351
Lender Financing	
Construction Loan	\$ 5,600,000
Bridge Loan	\$ 1,900,000
Letter of Credit	\$ 162,800
<b>ESTIMATED TOTAL</b>	<b>\$10,125,151</b>
Estimated City Funds (subject to <u>Section 4.03</u> )	\$ 2,200,000

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

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse the 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(c)), 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. Prior to the issuance of a Certificate, no City Funds shall be paid to the Developer hereunder and no interest shall accrue on the City Note.

(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 issue the City Note to the Developer on the Closing Date. The City Note will have a maturity date of the earlier of (A) 20 years following the date of issuance or (B) December 31, 2027. The initial principal amount of the City Note shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by the Developer on and as of the date hereof, if any, and will be increased on a quarterly basis if additional TIF-Funded Improvements costs are incurred. TIF-Funded Improvements are to be reimbursed by the City through payments of principal and interest on the City Note, subject to the provisions hereof, including Section 15.05; provided, however, that the maximum principal amount of the City Note shall be an amount not to exceed the lesser of \$2,200,000 or 26.67% of the actual total Project costs; provided, however, that payments under the City Note are subject to the amount of Available Incremental Taxes deposited into the 47th/Ashland Redevelopment Project Area Special Tax Allocation Fund being sufficient for such payments. Payments of the City Note shall be made in accordance with the terms of this Agreement and the City Note.

4.04 Construction Escrow; Requisition Form. (a) In case of any disbursements of Project funds made through the funding of draw requests with respect thereto pursuant to the Escrow Agreement, the City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement.

(b) On the Closing Date and prior to each October 1 (or such other date as the parties may agree to) thereafter, beginning in 2006 and continuing throughout the earlier of (i) the Term of the Agreement or (ii) the date that the Developer has been reimbursed in full under this Agreement, the Developer shall provide DPD with a Requisition Form, along with the documentation described therein. Requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per calendar year (or as otherwise permitted by DPD). On each December 1 (or such other date as may be acceptable to the parties), beginning in 2006 and continuing throughout the Term of the Agreement, the 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 the Developer with respect to the Project after March 27, 2002 and prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). DPD shall have the right, in its sole discretion, to disallow any such expenditure as (other than those listed on Exhibit I), 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 the Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to Section 4.01 hereof.

(b) Purchase of Property. A portion of the purchase price of the Property, exclusive of transaction costs, in an amount not to exceed \$1,420,000, shall be eligible to be reimbursed to the Developer from City Funds as a TIF-Funded Improvement, directly rather than through the Escrow after issuance of a Certificate.

(c) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed \$50,000 or \$200,000 in the aggregate, may be made without the prior written consent of DPD.

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 the Project exceeds the Project Budget, the 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 Execution of Certificate of Expenditure. Prior to each execution of a Certificate of Expenditure by the City, the Developer shall submit documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. Delivery by the Developer to DPD of any request for execution by the City of a Certificate of Expenditure 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 execution of a Certificate of Expenditure, that:

(a) the total amount of the request for Certificate of Expenditure 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 request for Certificate of Expenditure have been paid to the parties entitled to such payment;

(c) the Developer has approved all work and materials for the current request for Certificate of Expenditure, and such work and materials conform in all material respects to the Plans and Specifications;

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

(e) the 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 the Developer pursuant to this Agreement. The Developer hereby agrees that, if the Project is not In Balance, the Developer shall, within 10 days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

The City shall have the right, in its discretion, to require the 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 execution of a Certificate of Expenditure 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 the Developer. In addition, the Developer shall have satisfied all other preconditions of execution of a Certificate of Expenditure, including but not limited to requirements set forth in the Bond Ordinance, if any, TIF Bond Ordinance, if any, the Bonds, if any, the TIF Bonds, if any, the TIF Ordinances, and/or this Agreement.

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.

## **SECTION 5. CONDITIONS PRECEDENT**

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

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

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

5.03 Other Governmental Approvals. The 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. The Developer has furnished proof reasonably acceptable to the City that the 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, the Developer has furnished proof as of the Closing



Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity set forth in Section 4.01) to complete the Project. The Developer has delivered to DPD a copy of the construction escrow agreement entered into by the Developer regarding the Lender Financing. Any financing 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 the Developer, with the Office of the Recorder of Deeds of Cook County. The Developer may assign or pledge the City Note on a collateral basis to lender or lenders providing Lender Financing, if any, subject to approval by the Commissioner of DPD of the terms of any assignment.

5.05 Acquisition and Title. On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the 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. The Developer has provided to DPD, on or prior to the Closing Date, documentation related to the purchase of the Property and recorded 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. The Developer, at its own expense, has provided the City with searches under the Developer's name as follows:

Secretary of State	UCC search
Secretary of State	Federal tax search
Cook County Recorder	UCC search
Cook County Recorder	Fixtures search
Cook County Recorder	Federal tax search
Cook County Recorder	State tax search
Cook County Recorder	Memoranda of judgments search
U.S. District Court	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

showing no liens against the Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

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

5.08 Insurance. The 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 the Developer's Counsel. On the Closing Date, the 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 the 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 the Developer from its general corporate counsel.

5.10 Evidence of Prior Expenditures. The Developer has provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures shown on Exhibit I attached hereto.

5.11 Financial Statements. The Developer has provided Financial Statements to DPD for its most recent three (3) fiscal years, and audited or unaudited interim financial statements.

5.12 Additional Documentation. The Developer has provided documentation to DPD, satisfactory in form and substance to DPD, on employment matters, acquisition of the Property, copies of any ground leases or operating leases, other tenant leases for leaseholds in the Project, lease termination agreements, tenant relocation plans, synthetic leases and other financing documents, if any.

5.13 Environmental. Not less than 30 days prior to the Closing Date, the Developer has provided DPD with copies of that certain phase I environmental audit completed with respect to the Property and the phase II environmental audit completed with respect to the Property. The 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. If environmental issues exist on the Property, the City may require written verification from any federal, state or City environmental agency that all identified environmental issues have been resolved to its satisfaction.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles of Organization containing the original certification of the Secretary of State of its state of organization, if any; certificates of good standing and/or existence 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; by-laws and/or operating agreement of the company; and such other corporate documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. The Developer has provided to Corporation Counsel and DPD, a description of all pending or threatened litigation or administrative proceedings involving the Developer, specifying, in each case, the amount of each claim, an estimate of probable liability,

the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

## **SECTION 6. AGREEMENTS WITH CONTRACTORS**

6.01 Bid Requirement for General Contractor and Subcontractors. Developer has selected Phoenix Builders Ltd. as the General Contractor. Prior to entering into an agreement with any subcontractor for construction of the Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City of Chicago, and shall submit all bids received to DPD for its inspection. (i) For the TIF-Funded Improvements, the Developer shall cause the General Contractor to select the subcontractor submitting the lowest responsive and responsible bid who can complete the Project in a timely manner. If the Developer or the General Contractor selects any subcontractor submitting other than the lowest responsive and responsible bid for the TIF-Funded Improvements, the difference between the lowest responsive and 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 the Developer or the General Contractor selects any subcontractor who has not submitted the lowest responsive and responsible bid, the difference between the lowest responsive and 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. The 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. The 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. DPD has approved the contract attached hereto as Exhibit E attached hereto.

6.02 Construction Contract. Prior to the execution thereof, the 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 the Developer, the General Contractor and any other parties thereto, the 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, the 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 P hereto. The City shall be named as obligee or co-obligee on any such bonds.

6.04 Employment Opportunity. The 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 seven (7) business days of the execution thereof.

## **SECTION 7. COMPLETION OF CONSTRUCTION AND REHABILITATION**

7.01 Certificate of Completion of Construction and Rehabilitation. Upon completion of the construction and rehabilitation of the Project in accordance with the terms of this Agreement, and upon the Developer's written request, DPD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement, including delivery of a "no further remediation" letter issued by the State of Illinois Environmental Protection Agency to the Developer ("NFR Letter") or a draft NFR Letter and an agreement by the Developer to deliver the final NFR Letter when available. DPD shall respond to the Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the 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 Certificate relates only to the construction and rehabilitation of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 8.02, 8.06, 8.14 and 8.19 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 the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

7.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

(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, the 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 the Developer, provided that the City is entitled to rely on an opinion of counsel that such reimbursement will not jeopardize the tax-exempt status of the TIF Bonds, if any.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DPD shall provide the Developer, at the 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 THE DEVELOPER.**

8.01 General. The 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) the 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) the Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary corporate action, and does not and will not violate its 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 the Developer is now a party or by which the Developer is now or may become bound;

(d) unless otherwise permitted pursuant to or under the terms of this Agreement, the 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 Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof)

(e) the 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 the Developer which would impair its ability to perform under this Agreement;

(g) the 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) the 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 the Developer is a party or by which the 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 the Developer, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of the Developer since the date of the Developer's most recent Financial Statements;

(j) prior to the issuance of a Certificate, the Developer shall not do any of the following without the prior written consent of the Commissioner of DPD, such consent to be given by the Commissioner in her/his sole discretion: (1) be a party to any merger, liquidation or consolidation (except that Developer shall be permitted to transfer interests in Developer amongst existing owners and their family members or for the purpose of obtaining other investors to raise Equity ("Equity Investors") provided Developer's principals retain more than 50% of the ownership interests in the Developer); (2) sell, transfer, convey, lease (except as permitted by this Agreement) 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 to an entity wholly-owned by the Developer; (3) enter into any transaction outside the ordinary course of the Developer's business that would materially and adversely affect the Developer's ability to complete the Project; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity that

would materially and adversely affect the Developer's ability to complete the Project; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's condition; and

(k) the 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 Budget;

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

(m) after the issuance of a Certificate and through the 10th anniversary of the issuance of the Certificate, the Developer shall not do any of the following without providing DPD with 30 days prior written notice and obtaining DPD written approval (such approval not to be required if 30 days after receipt of the notice by DPD, DPD fails to respond) : (1) lease to a new tenant any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto), or (2) lease 10,000 square feet or more of the Project; and

(n) after the issuance of a Certificate and through the 10th anniversary of the issuance of the Certificate, the Developer shall not sell, transfer, convey, 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 to an entity wholly-owned by the Developer, without first obtaining the written consent of DPD, which consent may be predicated on the transferee agreeing to assume all surviving responsibilities of Developer under this Agreement. The prior consent of DPD, shall be required before the City shall have any obligation to make payments under the City Note to a transferee other than Developer or a wholly-owned affiliate thereof; and

(o) neither the Developer nor any affiliate of the Developer is listed 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.

8.02 Covenant to Redevelop. Upon DPD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03 hereof, and the Developer's receipt of all required building permits and governmental approvals, the 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 Budget 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 the 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. The Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan.

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

8.05 Other Bonds. The Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements (the "Bonds"); provided, however, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the 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 Occupancy; Permitted Uses. Developer shall lease and cause to be occupied not less than sixty percent (60%) of the net leaseable square footage of the Project (the "Minimum Occupancy") within 12 months of the issuance of a Certificate; and shall maintain for the 12-month period preceding Developer's delivery of an occupancy progress report to DPD and the Department of Housing an average occupancy equal to the Minimum Occupancy (the "Average Minimum Occupancy"). Developer shall deliver an occupancy progress report detailing compliance with the requirement to maintain an Average Minimum Occupancy (the "Occupancy Report") on October 1 of each year through the 10th anniversary of the issuance of the Certificate, subject to the provisions of Section 15.04(c). Developer shall cause the Property to be used as permitted pursuant to the Redevelopment Plan and such covenant shall run with the land and be binding upon any transferee for the Term of the Agreement. All other covenants set



forth in this Section 8.06 shall run with the land and be binding upon any transferee for a period of ten (10) years from the issuance of the Certificate, subject to the provisions of Section 15.04(c).

8.07 Employment Opportunity; Progress Reports. The 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. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City on a monthly basis (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which the Developer shall correct any shortfall.

8.08 Employment Profile. The 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. The 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, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09.

8.10 Arms-Length Transactions. Unless DPD has given its prior written consent with respect thereto, no Affiliate of the 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. The Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the 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, the 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 the 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 the Developer's business, the Property or any other property in the Redevelopment Area.

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

8.13 Financial Statements. The Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year ended 2005 and each year thereafter for the Term of the Agreement, upon request by DPD. In addition, the 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. The Developer, at its own expense, shall comply with all provisions of Section 12 hereof. The covenant set forth in this Section in connection with Section 12(c) shall run with the land and be binding upon any transferee.

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, the 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, the 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. The 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. The 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 the 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. The 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 the Developer to any other person or entity. The Developer shall immediately notify DPD of any and all events or actions which may materially affect the 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 the 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, the Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. The 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 or the City shall require any liens in connection with the Lender Financing be subordinated to the City's covenants running with the land. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the 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. The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon the 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 the Developer, the Property or the Project including but not limited to real estate taxes.

(ii) Right to Contest. The 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. The 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 the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

(i) the Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by the 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) the 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 the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the 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 the 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 the 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 the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

(c) Real Estate Taxes.

(i) Acknowledgment of Real Estate Taxes. The Developer agrees that (A) for the purpose of this Agreement, the total projected minimum assessed value of the Property that is necessary to support the debt service indicated ("Minimum Assessed Value") is shown on Exhibit K attached hereto and incorporated herein by reference for the years noted on Exhibit K; (B) Exhibit K sets forth the specific

improvements which will generate the fair market values, assessments, equalized assessed values and taxes shown thereon; and (C) the real estate taxes anticipated to be generated and derived from the respective portions of the Property and the Project for the years shown are fairly and accurately indicated in Exhibit K.

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

(iii) No Reduction in Real Estate Taxes. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, until the City Note shall be repaid in full, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the amount of the Minimum Assessed Value as shown in Exhibit K for the applicable year.

(iv) No Objections. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer, shall object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Underassessment Complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Underassessment Complaint" as used in this Agreement shall mean any complaint seeking to increase the assessed value of the Property up to (but not above) the Minimum Assessed Value as shown in Exhibit K.

(v) 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 the Developer as a memorandum thereof, at the Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions shall be binding upon the 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. The 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 the Developer, its successors or assigns, may waive and terminate the Developer's covenants and agreements set forth in this Section 8.19(c).

8.20 [Reserved].

8.21 [Reserved].

8.22 Public Benefits Program. The Developer shall, after the Closing Date, undertake a public benefits program as described on Exhibit N. If the public benefit program is on-going, on a semi-annual basis, the Developer shall provide the City with a status report describing in sufficient detail the Developer's compliance with the public benefits program.

8.23 Job Readiness Program. Developer shall meet with the Mayor's Office of Workforce Development ("MOWD") to discuss the Project. Developer shall notify the tenants of the Project in writing, with a copy to DPD, that there are job readiness programs available through MOWD.

8.24 Survival of Covenants. All warranties, representations, covenants and agreements of the Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of the 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. The 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 the Developer working on the construction or rehabilitation of the Project (collectively, with the 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 or rehabilitation of the Project:

(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.** The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the 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.

The 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.

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

The 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. The Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the General Contractor to agree that during the 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 of Chicago (the "**Procurement Program**"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "**MBE/WBE Program**"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of

the Project, at least the following percentages of the MBE/WBE Budget (as set forth in **Exhibit H-2** hereto) shall be expended for contract participation by MBEs and by WBEs:

- (1) At least 24 percent by MBEs.
- (2) At least four percent by WBEs.

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

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

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

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

(f) Any reduction or waiver of the 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 of Chicago, as applicable.

(g) Prior to the commencement of the Project, the Developer shall be required to meet with the City's monitoring staff with regard to the 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, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, the 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 the Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity.

## **SECTION 11. ENVIRONMENTAL MATTERS**

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

Without limiting any other provisions hereof, the 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 the 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 the Developer, or any person directly or indirectly controlling, controlled by or under common control with the 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 the 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 the Developer or any of its Affiliates under any Environmental Laws relating to the Property, except to the extent caused by the gross negligence or willful misconduct of the City.

## SECTION 12. INSURANCE

The Developer shall provide and maintain, or cause to be provided, at the Developer's own expense, during the Term of the Agreement (or as otherwise specified below), the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement and Throughout the Term of the Agreement

(i) Workers Compensation and Employers Liability Insurance

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

(ii) Commercial General Liability Insurance (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 shall 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.

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

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

(ii) Commercial General Liability Insurance (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 shall include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, 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) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide 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 bases.

(iv) Railroad Protective Liability Insurance

When any work is to be done adjacent to or on railroad or transit property, Contractor shall provide, or cause to be provided with respect to the operations that the Contractor performs, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy has 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) Builders Risk Insurance

When the Contractor undertakes any construction, including improvements, betterments, and/or repairs, the Contractor shall 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 permanent facility. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable. The City of Chicago shall be named as an additional insured and loss payee.

(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 shall be maintained with limits of not less than \$1,000,000. Coverage shall include contractual liability. 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.

(vii) Valuable Papers Insurance

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

(viii) Contractor's Pollution Liability

When any remediation work is performed which may cause a pollution exposure, contractor's Pollution Liability shall be provided with limits of not less than \$1,000,000 insuring bodily injury, property damage and environmental remediation, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of one (1) year. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(c) Term of the Agreement

- (i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Property. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.
- (ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.

(d) Other Requirements

The Developer will furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage 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. 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 the Developer shall not be deemed to be a waiver by the City. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the 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 terminate this Agreement until proper evidence of insurance is provided.

The insurance shall 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 and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Developer.

The Developer agrees that insurers shall waive rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's liabilities and responsibilities specified within the Agreement documents or by law.

The Developer expressly understands and agrees that the Developer's insurance is primary and any insurance or self insurance programs maintained by the City of Chicago shall not contribute with insurance provided by the Developer under the Agreement.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The Developer shall require the General Contractor, and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the General Contractor, or subcontractors. All General Contractors and subcontractors shall be subject to the same requirements (Section (d)) of Developer unless otherwise specified herein.

If the Developer, General Contractor or any subcontractor desires additional coverages, the Developer, General Contractor and any subcontractor shall be responsible for the acquisition and cost of such additional protection.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as any such change does not increase 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 Indemnities 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) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

(ii) the 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 offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of the Developer or any Affiliate of Developer; or

(iv) the 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 gross negligence, 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. The 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 the 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 the Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the 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 Sections 15.03 and 15.04, shall constitute an "Event of Default" by the Developer hereunder:

(a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement, or under any agreement that would materially adversely effect the ability of the Developer to fulfill its obligations under this Agreement;

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer's business, property, assets, operations or condition, financial or otherwise;

(c) the making or furnishing by the 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 the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the 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 the 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 the Developer, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the 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 the 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 the Developer; or

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer or any natural person who owns a material interest in the Developer, which is not dismissed within 120 days, or the indictment of the Developer or any natural person who owns a material interest in the Developer, for any crime (other than a misdemeanor); or

(k) prior to the issuance of the Certificate, the sale or transfer of 50% of the ownership interests 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 the Developer shall be one owning in excess of ten (10%) of the Developer's membership interests.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds, provided, however, remedies relative to a failure to perform an occupancy covenant under Section 8.06 shall be set forth in Section 15.05. 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 (except as otherwise stated herein), including but not limited to injunctive relief or the specific performance of the agreements contained herein. From the date of maturity of the City Note through the Term of the Agreement the City, in any court of competent jurisdiction by any action or proceeding at law or in equity, will pursue the remedy of specific performance.

15.03 Curative Period. (a) In the event the Developer shall fail to perform a monetary covenant which the 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 the 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 the Developer shall fail to perform a non-monetary covenant which the 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 the 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, the 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; provided, further, that only the cure provisions under Section 15.04 shall apply with respect to the Developer's failure to comply with the occupancy covenant requiring Developer to maintain an Average Minimum Occupancy under Section 8.06 hereof.

(b) In the event the City deems an Event of Default to have occurred, the City shall, at the time it gives notice thereof to the Developer, in good faith endeavor to give written notice of such Event of Default to any lender providing Lender Financing which has previously

notified and evidenced to the City in writing that such party holds a first mortgage on or similar security interest in the Property; provided, however, that the City shall not be deemed to have failed to perform any of its obligations hereunder or to the lender if it fails or is unable to so notify a lender.

(c) The parties hereto agree and acknowledge that upon receipt of written notice from the City specifying the Developer's failure to perform any covenant hereunder, any lender providing Lender Financing shall have the right (but not the obligation), without notice to or demand on Developer to correct any such failure in such manner and to such extent as the lender may deem necessary in accordance with the provisions of this Section 15.03. The lender shall not be obligated to perform or discharge, any obligation, duty or liability and shall not be entitled to any benefit under this Agreement, solely by reason of its attempts to correct or its correction of Developer's failure to perform any covenant.

15.04 Occupancy Curative Period (a) In any year the Developer is subject to the occupancy requirements of Section 8.06, if the Developer shall fail to maintain the Average Minimum Occupancy (an "Occupancy Default"), then Developer shall have one (1) year (the "Cure Period") from the date on which the City receives the Occupancy Report (the "Receipt Date") to cure such default, unless the Developer:

- (i) has cured two previous Occupancy Defaults; or
- (ii) has failed to cure two consecutive Occupancy Defaults; or
- (iii) has cured a previous Occupancy Default, but has failed to cure a second;

In the case of an Occupancy Default under the circumstances of (i)-(iii) above, each shall be deemed an Event of Default.

(b) If the Developer submits an Occupancy Report which describes an Occupancy Default, but has maintained an Average Minimum Occupancy for the thirty (30) days preceding the Receipt Date and has provided the DPD with evidence, satisfactory to DPD, that it will achieve the Average Minimum Occupancy for the following year, then the Developer will not be deemed to have incurred an Occupancy Default in relation to such Occupancy Report.

(c) If the Developer has cured all Occupancy Defaults, the Developer shall continue to deliver Occupancy Reports and maintain the Average Minimum Occupancy, after the 10th anniversary of the issuance of the Certificate, for a period of time equal to the period of time for which the Developer did not report maintaining the Average Minimum Occupancy.

(d) In the event the Developer shall fail to maintain the Average Minimum Occupancy due to the partial or complete destruction of the Facility, as determined by DPD in its sole discretion,

the Developer will have a period of 18 months from such determination to reconstruct the Facility and re-establish the Average Minimum Occupancy.

15.05 Occupancy Remedies . (a) Upon the occurrence of an Occupancy Default, the City may suspend disbursement of City Funds until the Developer reports Average Minimum Occupancy in an Occupancy Report. No interest shall accrue on the City Note during any year with an Occupancy Default or during the subsequent Cure Period(s). If the Developer later reports Average Minimum Occupancy after a Cure Period, then interest on City Note shall be credited for the Cure Period. No principal payments shall be made while there exists an Occupancy Default.

(b) Upon the occurrence of an Event of Default pursuant to Section 15.04, the City shall have remedies as described in Section 15.02.

## **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 the 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 the 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 the Developer as follows:

(a) In the event that a mortgagee or any other party shall succeed to the 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 the Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the 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) Notwithstanding anything to the contrary contained in Section 15.02, if an Event of Default by Developer occurs under this Agreement that either (i) is of a nature that cannot be cured by the mortgagee under an Existing Mortgage or a Permitted Mortgage (e.g. Developer's bankruptcy or the institution of criminal proceedings against the Developer) or (ii) requires such mortgagee to be in possession of the Property to cure (e.g. Developer's Occupancy Default), and provided that such mortgagee under an Existing Mortgage or a Permitted Mortgage commences such foreclosure immediately following the occurrence of an Event of Default of the nature

described in clauses (i) or (ii) above, and thereafter diligently proceeds to acquire the Property by such foreclosure or by transfer by deed in lieu thereof, then during such period, the City will not terminate the Agreement or the disbursement of City Funds (but may suspend disbursement thereof to the extent otherwise provided in this Agreement); provided that, and only if, such mortgagee has advised the City in writing of its intent to accept an assignment of the Developer's interest hereunder, or to require any other transferee to accept such assignment, in accordance with Section 18.15 as more particularly referenced in the next succeeding sentence. In the event that any mortgagee or other transferee, other than an entity wholly-owned by the Developer, shall succeed to the 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 the Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement long as such party accepts all of the obligations and liabilities of "the 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 the Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, in which case the Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of the 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) Notwithstanding anything in Section 16(b) hereof, if any mortgagee of an Existing Mortgage or Permitted Mortgage accepts an assignment of the Developer's interest under this Agreement and becomes a successor in interest to the Developer, such party shall be entitled to City Funds which have accrued during the time period in which payments were suspended by the City by reason of an Event of Default, except for an Event of Default that is also an Occupancy Default under Section 15.04, in which case such party will be limited to the rights afforded the Developer under Sections 15.04 and 15.05.

(d) Prior to the issuance by the City to the Developer of a 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.

(e) After the issuance of a Certificate, 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, unless a subordination agreement is executed which subordinates the New Mortgage lien to the covenants that run with land contained herein.

## SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be

given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

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

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

If to the Developer: Bishop Plaza, L.L.C.  
c/o Matanky Realty Group  
200 N. LaSalle Street, Suite 2350  
Chicago, Illinois 60601  
Attn: James Matanky

With Copies To: Shefsky & Froelich Ltd.  
111 E. Wacker Drive, Suite 2800  
Chicago, Illinois 60601  
Attn: Rick Ingram, Esq.

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

## SECTION 18. MISCELLANEOUS

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 Exhibit D hereto 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, occupancy or job-creating obligations of Developer, if any (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 the 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 the Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

18.04 Further Assurances. The 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 the 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 the 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 Headings. The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.



18.09 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.

18.10 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.

18.11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances and/or the the Bond Ordinance, if any, such ordinance(s) shall prevail and control.

18.12 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.

18.13 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.

18.14 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, request, 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.

18.15 Assignment. Except as otherwise provided in this Agreement, the 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 the 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 8.24 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part with prior written notice to Developer.

18.16 Binding Effect. This Agreement shall be binding upon the Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the 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.

18.17 Force Majeure. Neither the City nor the 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.

18.18 Exhibits. All of the exhibits attached hereto are incorporated herein by reference.

18.19 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if the Developer is required to provide notice under the WARN Act, the 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 the Developer has locations in the State. Failure by the 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.

18.20 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party may hereto agree 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.

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

18.22 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (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

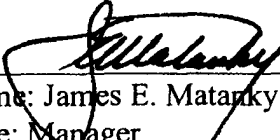
or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a “Business Relationship” (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a “Business Relationship” (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) 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. The 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.

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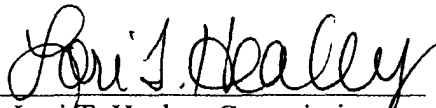

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

**BISHOP PLAZA, L.L.C.**, an Illinois limited liability company

By: **CITRON, L.L.C.**, an Illinois limited liability company and its sole Member

By:   
Name: James E. Matanky  
Title: Manager

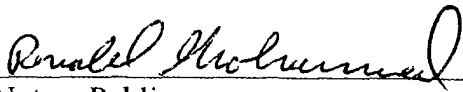
**CITY OF CHICAGO**

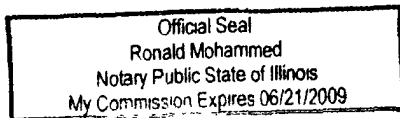
By:   
Lori T. Healey, Commissioner   
Department of Planning and Development

STATE OF ILLINOIS )  
                          ) ss  
COUNTY OF COOK   )

I, Ronald Mohammed, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Lori T. Healey, 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 she signed, sealed, and delivered said instrument pursuant to the authority given to her by the City, as her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 12th day of April, 2006.

  
\_\_\_\_\_  
Notary Public



My Commission Expires: 6-21-09

STATE OF ILLINOIS )  
                          ) ss  
COUNTY OF COOK    )

I, Amber Lee, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that JAMES E. MATAULY, personally known to me to be the Manager of Bishop Plaza, L.L.C., 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 membership of the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

2006 GIVEN under my hand and official seal this 12<sup>th</sup> day of April,

Amber Lee  
Notary Public



(SEAL)

My Commission Expires 9/1/09

## LIST OF EXHIBITS

Exhibit A	*Redevelopment Area
Exhibit B	*Property
Exhibit C	*TIF-Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
Exhibit F	Escrow Agreement
Exhibit G	*Permitted Liens
Exhibit H-1	*Project Budget
Exhibit H-2	*MBE/WBE Budget
Exhibit I	Approved Prior Expenditures
Exhibit J	Form of Opinion of Developer's Counsel
Exhibit K	*Preliminary TIF Projection -- Real Estate Taxes
Exhibit L	Requisition Form
Exhibit M	*Form of City Note
Exhibit N	*Public Benefits Program
Exhibit O	Form of Subordination Agreement
Exhibit P	Form of Payment Bond

(An asterisk(\*) indicates which exhibits are attached for recording.)

Exhibit

**A**



**Exhibit A**

47<sup>th</sup>/Ashland TIF Redevelopment Area

[See attached.]

*Exhibit "A".  
(To Ordinance)*

*The 47<sup>th</sup>/Ashland Tax Increment Financing  
Redevelopment Plan And Project  
Revision Number 1.*

*September 26, 2001  
Revised January 30, 2002.*

*Section I.*

*Executive Summary.*

**A. Area Location.**

The 47<sup>th</sup>/Ashland Redevelopment Project Area (hereafter referred to as the "Area") is located on the southwest side of the City of Chicago ("City"), approximately six (6) miles southwest of downtown Chicago and approximately two (2) miles west of the Dan Ryan Expressway. A location map is provided on the following page indicating the general location of the Area within the City.

The Area is irregularly shaped and is adjacent or in close proximity to several existing redevelopment areas located to the north and east (see (Sub)Exhibit I, Adjacent Redevelopment Areas Map in Attachment Two of the Appendix). The Area encompasses approximately three hundred twenty-five (325) acres and includes one hundred (100) (full and partial) city blocks. The core of the Area generally follows three (3) corridors along Ashland Avenue, 47<sup>th</sup> and 51<sup>st</sup> Streets. On the north, along Ashland Avenue, the Area begins at a railroad right-of-way north of 42<sup>nd</sup> Street and continues southward to 53<sup>rd</sup> Street. Along 47<sup>th</sup> Street the Area begins at Racine Avenue on the east and continues westward to a railroad right-of-way west of Hoyne Avenue. Along 51<sup>st</sup> Street the Area begins at Loomis Boulevard on the east and continues west to the alley west of Damen Avenue. In addition, the Area includes several pockets that extend off of the main spines formed by Ashland Avenue, 47<sup>th</sup> and 51<sup>st</sup> Streets. A boundary map of the Area is provided in Appendix, Attachment Two, (Sub)Exhibit A, Boundary Map of T.I.F. Area and the legal description of the Area is provided in Appendix, Attachment Three, Legal Description.

Exhibit "C" (To Ordinance)

Legal Description Of 47<sup>th</sup> Ashland Redevelopment Area

That part of Sections 6, 6, 7 and 8 in Township 38 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

beginning at the point of intersection of the east line of South Justine Street with the north line of West 49<sup>th</sup> Street, thence east along said north line of West 49<sup>th</sup> Street to the east line of South Loomis Street, thence south along said east line of South Loomis Street to the easterly extension of the north line of Block 1 of S. Barber's Subdivision of the east half of the northwest quarter of the southwest quarter of Section 8, Township 38 North, Range 14 East of the Third Principal Meridian, said north line of Lot 47 being also the north line of the alley south of West 51<sup>st</sup> Street, thence west along said easterly extension and the south line of the alley south of West 51<sup>st</sup> Street to the west line of Lot 55 in Barber's Subdivision of the north half of the west half of the southwest quarter of the southwest quarter of Section 8, Township 38 North, Range 14 East of the Third Principal Meridian, said west line of Lot 55 being also the east line of the alley east of South Ashland Avenue, thence south along said east line of the alley east of South Ashland Avenue to the south line of West 53<sup>rd</sup> Street, thence west along said south line of West 53<sup>rd</sup> Street to the southerly extension of the east line of Lot 25 in Block 8 of the subdivision of Blocks 3, 7 and 8 of the Orvis Subdivision of the northeast quarter of the southeast quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian, said east line of Lot 25 being also the west line of the alley west of South Ashland Avenue, thence north along said southerly extension and the west line of the alley west of South Ashland Avenue to the north line of Lot 43 in Block 1 of said Orvis Subdivision of the northeast quarter of the southeast quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian; thence west along said north line of Lot 43 in Block 1 of the Orvis Subdivision and along the westerly extension thereof and along the north line of Lot 6 in Block 2 of aforesaid Orvis Subdivision to the west line of said Lot 6 in Block 2 of the Orvis Subdivision, said west line of Lot 6 being also the east line of the alley east of South Paulina Street, thence south along said west line of Lot 6 in Block 2 of the Orvis Subdivision to the easterly extension of the north line of

(f) the Area is not less, in the aggregate, than one and one-half (1 1/2) acres in size;

(g) Conditions exist in the Area that cause the Area to qualify for designation as a redevelopment project area and a conservation area as defined in the Act.

Section 3. The Commission recommends that the City Council approve the Plan pursuant to Section 5/11-74.4-4 of the Act.

Section 4. The Commission recommends that the City Council designate the Area as a Redevelopment Project Area pursuant to Section 5/11-74.4-4 of the Act.

Section 5. The Commission recommends that the City Council adopt Tax Increment Allocation Financing within the Area.

Section 6. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.

Section 7. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 8. This resolution shall be effective as of the date of its adoption.

Section 9. A certified copy of this resolution shall be transmitted to the City Council.

Adopted: December 18, 2001.

[(Sub)Exhibit "A" referred to in this Resolution 01-GDC-112 constitutes Exhibit "D" to the ordinance and is

printed on page 81624 of this Journal]

[(Sub)Exhibit "B" referred to in this Resolution 01-GDC-112 constitutes Exhibits "A" to the ordinance and is

printed on pages 81629 through 81638 of this Journal]

Lot 43 in said Block 2 of the Orvis Subdivision; thence west along said easterly extension and the north line of Lot 43 in said Block 2 of the Orvis Subdivision and along the westerly extension thereof to the west line of South Paulina Street; thence north along said west line of South Paulina Street to the north line of Lot 5 in the plat of Block 3 of Orvis Subdivision of the northeast quarter of the southeast quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian; thence west along said north line of Lot 5 in the plat of Block 3 of Orvis Subdivision and along the westerly extension thereof and along the north line of Lot 44 in said plat of Block 3 of Orvis Subdivision to the east line of South Hermitage Avenue; thence south along said east line of South Hermitage Avenue to the easterly extension of the north line of Lot 47 in the subdivision of Block 4 of the Orvis Subdivision of the northeast quarter of the southeast quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian; said north line of Lot 47 being also the south line of the alley south of West 51<sup>st</sup> Street; thence west along said easterly extension and south line of the alley south of West 51<sup>st</sup> Street to the southerly extension of the west line of Lot 5 in the subdivision of the east half of Lots 1 and 4 in Igelhart's Subdivision of the southeast quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian; thence north along said southerly extension and the west line of Lot 5 in the subdivision of the east half of Lots 1 and 4 in Igelhart's Subdivision and along the northerly extension of the west line of said Lot 5 to the north line of West 51<sup>st</sup> Street; thence east along said north line of West 51<sup>st</sup> Street to the east line of Lot B in Tolman's Subdivision of Block 57 of the Chicago University Subdivision; thence south along the east line of Lot B in the northeast quarter and the west three quarters of the south half of the northeast quarter and the northwest quarter of the northwest quarter of the northeast quarter and the southeast quarter of the northwest quarter, all in Section 7, Township 38 North, Range 14 East of the Third Principal Meridian; said east line of Lot B being also the west line of the alley west of South Damen Avenue; thence north along said west line of the alley west of South Damen Avenue to the westerly extension of the north line of Lot 21 in said Block 57 of the Chicago University Subdivision; thence east along said westerly extension and the north line of Lot 21 in said Block 57 of the Chicago University Subdivision to the west line of South Damen Avenue; thence south along said west line of South Damen Avenue to the westerly extension of the south line of Lot 19 in Hulbert's Resubdivision of Block 56 in aforesaid Chicago University Subdivision; said south line of Lot 19 being also the north line of the alley north of West 51<sup>st</sup> Street; thence east along said westerly extension and the north line of the alley north of West 51<sup>st</sup> Street and along the easterly extension thereof to the east line of South Winchester Avenue; thence south along said east line of South Winchester Avenue to the south line of

Lot 31 in Block 55 of aforesaid Chicago University Subdivision, thence east along said south line of Lot 31 in Block 55 of Chicago University Subdivision and by following the easterly extension thereof, and along the north line of the south 8.00 feet of Lot 20 in said Block 55 of Chicago University Subdivision and along the easterly extension thereof to the east line of South Wolcott Street, thence south along said east line of South Wolcott Street to the north line of West 51<sup>st</sup> Street; thence east along said north line of West 51<sup>st</sup> Street to the west line of South West Wood Street; thence north along said west line of South Wood Street to the westerly extension of the south line of Lot 31 in Block 52 of aforesaid Chicago University Subdivision, said south line of Lot 31 being also the north line of the alley north of West 51<sup>st</sup> Street, thence east along said north line of the alley north of West 51<sup>st</sup> Street and along the easterly extension thereof to the southwest corner of Lot 31 in Block 50 of said Chicago University Subdivision, said southwest corner of Lot 31 being also a point on the east line of South Pine Street; thence continuing east along the south line of said Lot 31 in Block 50 of Chicago University Subdivision and along the easterly extension thereof and along the south line of Lot 20 in said Block 50 of Chicago University Subdivision to the west line of South Marshfield Avenue; thence north along said west line of South Marshfield Avenue to the westerly extension of the south line of Lot 32 in Block 49 of aforesaid Chicago University Subdivision, said south line of Lot 32 being also the north line of the alley north of West 51<sup>st</sup> Street; thence east along said westerly extension and the south line of Lot 32 in Block 49 of Chicago University Subdivision to the east line of said Lot 32; said east line of said Lot 32 being also the west line of the alley west of South Ashland Avenue; thence north along said west line of the alley west of South Ashland Avenue to the south line of Lot 43 in Block 1 in Riley's Subdivision of Block 24 in Stone and Whitney's Subdivision of the west half of the southeast quarter of Section 6 and to the north half and the west half of the southeast quarter of Section 7, all in Township 38 North, Range 14 East of the Third Principal Meridian; thence west and along said south line of Lot 43 in Block 1 in Riley's Subdivision and along the westerly extension thereof to the west line of South Marshfield Avenue; thence north along said west line of South Marshfield Avenue to the south line of Lot 13 in Block 2 of Berger and Jacob's Subdivision of Block 9 in Stone and Whitney's Subdivision of the west half of the southeast quarter of Section 6 and to the north half and the west half of the southeast quarter of Section 7, all in Township 38 North, Range 14 East of the Third Principal Meridian; thence west along said south line of Lot 13 in Block 2 of Berger and Jacob's Subdivision and along the westerly extension thereof to the east line of Lot 46 in said Block 2 of Berger and Jacob's Subdivision; said east line of Lot 46 being also the west line of the alley west of South Marshfield Avenue; thence north along said west line of the alley west of South Marshfield Avenue to the north line of Lot 47 in said

Block 2 of Berger and Jacob's Subdivision, said north line of Lot 47 being also the south line of the alley south of West 47<sup>th</sup> Street, thence west along said north line of the alley south of West 47<sup>th</sup> Street to the east line of South Wood Street; thence south along said east line of South Wood Street to the easterly extension of the north line of Lot 47 in Riley's Subdivision of the east half of Block 11 in aforesaid Stone and Whitney's Subdivision in the west half of the northeast quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian, said north line of Lot 47 being also the south line of the alley south of West 47<sup>th</sup> Street, thence west along said easterly extension and the south line of the alley south of West 47<sup>th</sup> Street and along the westerly extension thereof to the west line of South Honore Street; thence north along said west line of South Honore Street to the north line of Lot 6 in John Pecha's Subdivision of the east half of the west half of Block 11 in aforesaid Stone and Whitney's Subdivision in the west half of the northeast quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian; thence west along said north line of Lot 6 in John Pecha's Subdivision to the westerly most northwest corner of said Lot 6; thence west along a line perpendicular to the west line of said Lot 6 in John Pecha's Subdivision to the east line of Lot 6 in said Jacob's Subdivision of the west half of the west half of Block 11 in aforesaid Stone and Whitney's Subdivision in the west half of the northeast quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian, said east line of Lot 6 being also the west line of the alley west of South Honore Street; thence north along said west line of the alley west of South Honore Street to the south line of Lot 6 in said Jacob's Subdivision; thence west along said south line of Lot 6 in said Jacob's Subdivision to the east line of South Wood Street; thence south along said east line of South Wood Street to the easterly extension of the north line of Lot 6 in the Stone Estate Subdivision of the east half of Block 10 of aforesaid Chicago University Subdivision in the west half of the northeast quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian, said north line of Lot 6 being also the south line of the alley south of West 47<sup>th</sup> Street, thence west along said easterly extension and the north line of Lot 6 in the Stone Estate Subdivision to the west line of said Lot 6, the said west line of Lot 6 being also the east line of the alley east of South Winchester Avenue; thence south along said east line of the alley east of South Winchester Avenue to the easterly extension of the north line of Lot 6 in Winter's Resubdivision of the west half of Block 10 of aforesaid Chicago University Subdivision; said north line of Lot 6 being also the south line of the alley south of West 47<sup>th</sup> Street; thence west along said easterly extension and the north line of Lot 6 in said Winter's Resubdivision and along the westerly extension thereof to the west line of South Winchester Avenue; thence north along said west line



of South Winchester Avenue to the north line of Lot 6 in Bentley's Subdivision of the east half of Block 9 in aforesaid Chicago University Subdivision in the west half of the northeast quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian, said north line of Lot 6 being also the south line of the alley south of West 47<sup>th</sup> Street; thence west along said north line of Lot 6 in Bentley's Subdivision and along the westerly extension thereof to the east line of Lot 45 in Block 9 in aforesaid Chicago University Subdivision, said east line of Lot 45 being also the west line of the alley east of South Damen Avenue; thence north along said east line of Lot 45 in Block 9 in Chicago University Subdivision to the north line thereof; thence west along said north line of Lot 45 in Block 9 in Chicago University Subdivision to the west line thereof, said west line of Lot 45 being also the east line of South Damen Avenue; thence south along said east line of South Damen Avenue to the easterly extension of the north line of Lot 12 in Block 1 in Huling and Johnson's Subdivision of Block 13 in aforesaid Stone and Whitney's Subdivision in the east half of the northwest quarter of Section 7, Township 38 North, Range 14 East of the Third Principal Meridian, said north line of Lot 12 being also the south line of the alley south of West 47<sup>th</sup> Street; thence west along said easterly extension and the south line of the alley south of West 47<sup>th</sup> Street to the east line of South Hoyne Avenue; thence south along said east line of South Hoyne Avenue to the south line of Lot 33 in Block 2 in aforesaid Huling and Johnson's Subdivision; thence east along said south line of Lot 33 in Block 2 in Huling and Johnson's Subdivision and along the easterly extension thereof and along the south line of Lot 28 in said Block 2 in Huling and Johnson's Subdivision and along the easterly extension thereof to the east line of South Secley Avenue; thence south along said east line of South Secley Avenue to the south line of West 48<sup>th</sup> Street; thence west along said south line of West 48<sup>th</sup> Street to the east line of South Hoyne Avenue; thence south along said east line of South Hoyne Avenue to the south line of West 49<sup>th</sup> Street; thence west along said south line of West 49<sup>th</sup> Street to the southerly extension of the east line of Lot 48 in Block 2 in E. G. Huling's Subdivision of Block 19 (except the west 17 feet of aforesaid Stone and Whitney's Subdivision, said southerly extension being also the east line of vacated 49<sup>th</sup> Street; thence north along said east line of vacated 49<sup>th</sup> Street to the southwest corner of the parcel of property bearing Permanent Index Number 20-07-107-030; thence north along the west line of said parcel of property bearing Permanent Index Number 20-07-107-030 and along the west line of the parcel of property bearing Permanent Index Number 20-07-107-031 and along the west line of the parcel of property bearing Permanent Index Number 20-07-107-025 and along the west line of the parcel of property bearing Permanent Index Number 20-07-107-035 and along the west



line of the parcel of property bearing Permanent Index Number 20-07-107-034  
 and along the west line of the parcel of property bearing Permanent Index  
 Number 20-07-107-029 and along the west line of the parcel of property bearing  
 Permanent Index Number 20-07-107-036 and along the west line of the parcel  
 of property bearing Permanent Index Number 20-07-107-037 and along the west  
 line of the parcel of property bearing Permanent Index Number 20-07-107-016  
 and along the west line of the parcel of property bearing Permanent Index  
 Number 20-07-107-002 and along the northerly extension thereof to the  
 centerline of West 47<sup>th</sup> Street; thence east along said centerline of West 47<sup>th</sup>  
 Street to the southerly extension of the west line of Lot 79 in D. B. Clarke's  
 subdivision of Block 7 of Stone and Whitney's Subdivision of the west half of the  
 southeast quarter of Section 6 and the north half and the west half of the  
 southeast quarter of Section 7, all in Township 38 North, Range 14 East of the  
 Third Principal Meridian, said west line of Lot 79 being also the east line of  
 the south branch Avenue; thence north along said southerly extension and the east  
 line of South Damen Avenue to the south line of Lot 80 in D. B. Clarke's  
 subdivision of Block 7 of Stone and Whitney's Subdivision of the west half of the  
 southeast quarter of Section 6 and the north half and the west half of the  
 southeast quarter of Section 7, all in Township 38 North, Range 14 East of the  
 Third Principal Meridian, said south line of Lot 80 being also the north line of  
 the alley north of West 47<sup>th</sup> Street; thence east along said north line of the alley  
 north of West 47<sup>th</sup> Street to the west line of South Wood Street; thence north  
 along said west line of South Wood Street to the north line of West 46<sup>th</sup> Street;  
 thence east along said north line of West 46<sup>th</sup> Street to the east line of South  
 Hermitage Avenue; thence south along said east line of South Hermitage Avenue  
 to the south line of Lot 34 in Block 1 of Schlesinger's Subdivision of the  
 southwest quarter of the southeast quarter of the southeast quarter of Section  
 6, Township 38 North, Range 14 East of the Third Principal Meridian, said south  
 line of Lot 34 being also the north line of the alley north of West 47<sup>th</sup> Street;  
 thence east along said north line of the alley north of West 47<sup>th</sup> Street to the west  
 line of South Marshfield Avenue; thence north along said west line of South  
 Marshfield Avenue to the westerly extension of the south line of Lot 6 in  
 Counselman's Subdivision of the east half of the southeast quarter of the  
 southeast quarter of the southeast quarter of Section 6, Township 38 North,  
 Range 14 East of the Third Principal Meridian; thence east along said westerly  
 extension and the south line of Lot 6 in Counselman's Subdivision to the east  
 line of said Lot 6; said east line of Lot 6 being also the west line of the alley west  
 of South Ashland Avenue; thence north along said west line of the alley west of  
 South Ashland Avenue to the south line of West 46<sup>th</sup> Street; thence west along  
 said south line of West 46<sup>th</sup> Street to the east line of South Marshfield Avenue;  
 thence south along said east line of South Marshfield Avenue to the easterly

of the extension of the south line of Lot 31 in Emery's Subdivision of the west half of the southeast quarter of the southeast quarter of the southeast quarter of Section 6, Township 38 North, Range 14 East of the Third Principal Meridian; thence north along said easterly extension and the south line of Lot 31 in Emery's Subdivision and along the westerly extension thereof to the east line of Lot 30 in said Emery's Subdivision; said east line of Lot 30 being also the west line of the alley west of South Marshfield Avenue; thence north along said west line of the alley west of South Marshfield Avenue to the westerly extension of the south line of Lot 24 in Block 1 of Jassoy's Resubdivision of that part of the east 1/2 of the southeast quarter of the southeast quarter of the southeast quarter of Section 6, Township 38 North, Range 14 East of the Third Principal Meridian, thence east of the centerline of Paulina Street thence east along said westerly extension and the south line of Lot 24 in Block 1 of Jassoy's Resubdivision and along the easterly extension thereof to the east line of South Marshfield Avenue; thence south along said east line of South Marshfield Avenue to the south line of Block 1 of Dearlove's Subdivision of the south 5 acres of the north 1/2 of the southeast quarter of the southeast quarter of Section 6, Township 38 North, Range 14 East of the Third Principal Meridian; thence east along said east line of Block 1 of Dearlove's Subdivision to the east line of said Block 1 of Dearlove's Subdivision; said east line of Block 1 of Dearlove's Subdivision being also the west line of the alley west of South Marshfield Avenue; thence north along said west line of the alley west of South Marshfield Avenue to the north line of Lot 42 in W. L. Sampson's Subdivision of the northeast quarter of the northeast quarter of Section 6, Township 38 North, Range 14 East of the Third Principal Meridian; said north line of Lot 42 being also the south line of the alley south of West 43<sup>rd</sup> Street; thence west along said north line of Lot 42 in W. L. Sampson's Subdivision and along the westerly extension thereof to the west line of South Marshfield Avenue; thence north along said west line of South Marshfield Avenue to the north line of Lot 77 in Davis Square Addition to Chicago in W. L. Sampson's Subdivision of the northeast quarter of the southeast quarter of Section 6, Township 38 North, Range 14 East of the Third Principal Meridian; said north line of Lot 77 being also the south line of the alley south of West 43<sup>rd</sup> Street; thence west along said north line of Lot 77 in Davis Square Addition to Chicago to the west line thereof; said west line of Lot 77 being also the east line of the alley east of South Paulina Street; thence south along said east line of the alley east of South Paulina Street to the westerly extension of the south line of Lot 79 in said Davis Square Addition to Chicago; thence west along said westerly extension and the south line of Lot 79 in Davis Square Addition to Chicago to the east line of South Paulina Street; thence north along said east line of South Paulina Street to the easterly extension of the south line of Lot 101 in aforesaid Davis Square Addition to Chicago; thence west along said easterly extension and the south line of Lot 101 in Davis Square Addition to Chicago and along the westerly extension thereof to the east line of Lot 106 in said Davis Square Addition to Chicago; said east line of Lot 106 being also the west line of the alley west of South Paulina Street; thence north along said west line of the alley west of South Paulina Street and along the northerly

to the extension thereof to the south line of Lot 16 in said Davis Square Addition to Chicago, said south line of Lot 16 being also the north line of the alley south of West 43<sup>rd</sup> Street, thence east along said north line of the alley south of West 43<sup>rd</sup> Street to the west line of South Paulina Street, thence north along said west line of South Paulina Street to the south line of West 43<sup>rd</sup> Street, thence west along said south line of West 43<sup>rd</sup> Street to the southerly extension of the east line of the parcel of property bearing Permanent Index Number 20-06-200-046, thence north along said southerly extension and the east line of the parcel of property bearing Permanent Index Number 20-06-200-046 to the south line of the parcel of property bearing Permanent Index Number 20-06-200-072, thence east along said south line of the parcel of property bearing Permanent Index Number 20-06-200-072 to the east line thereof, thence north along said north line of the parcel of property bearing Permanent Index Number 20-06-200-072 to the north line thereof, thence east along the north line of the parcel of property bearing Permanent Index Number 20-06-200-046 and along the north line of the parcel of property bearing Permanent Index Number 20-06-200-046 to the west line of South Ashland Avenue, thence south along said west line of South Ashland Avenue to the south line of West 43<sup>rd</sup> Street, thence east along said south line of West 43<sup>rd</sup> Street to a line 7 feet east of and parallel to the east line of Lot 7 in Packers Subdivision of the northeast quarter of the southeast quarter of Section 5, Township 38 North, Range 14 East of the Third Principal Meridian, said line 7 feet east of and parallel with the east line of Lot 7 in Packers Subdivision being also the southerly extension of the west line of South Ashland Avenue, thence south along said southerly extension and the north line of the southeast quarter of Section 5, Township 38 North, Range 14 East of the Third Principal Meridian and said line 7 feet east of and parallel with the east line of Lot 7 in Packers Subdivision being also a boundary line of the Stockyards Southeast Quadrant Industrial Redevelopment Project, thence south along said line 7 feet east of and parallel with the east line of Lot 7 in Packers Subdivision and along the west line of South Packers Avenue to the north line of the south half of said east half of the southwest quarter of Section 5, thence said north line being also the south line of the parcel of property bearing Permanent Index Number 20-05-391-004, thence east along said north line of the south half of the east half of the southwest quarter of Section 5, Township 38 North, Range 14 East of the Third Principal Meridian to the east line of said east half of the southwest quarter of Section 5, thence south along said east line of the east half of the southwest quarter of Section 5, Township 38 North, Range 14 East of the Third Principal Meridian to the south line of said east half of the southwest quarter of Section 5, said south line being also the centerline of West 47<sup>th</sup> Street, thence west along said south line of said east half of the southwest quarter of Section 5 to the east line of the west half of the northwest quarter of Section 8, Township 38 North, Range 14 East of the Third Principal Meridian, said east line being also the centerline of South Loomis Street, thence south along said centerline of South Loomis Street to the easterly extension of the north line of Lot 1 in Kay's Subdivision of the east half of the northeast quarter of the northwest quarter of the northwest quarter of Section

8, Township 38 North, Range 14 East of the Third Principal Meridian; said north line of Lot 1 being also the south line of the alley south of West 47<sup>th</sup> Street; thence west along said north line of Lot 1 in Kay's Subdivision to the west line thereof, said west line of Lot 1 in Kay's Subdivision being also the east line of the alley west of South Loomis Street; thence south along said east line of the alley west of South Loomis Street to the south line of West 48<sup>th</sup> Street; thence west along said south line of West 48<sup>th</sup> Street to the west line of South Bishop Street; thence north along said west line of South Bishop Street to the north line of Lot 1 in Counselman's Subdivision of the west half of the northeast quarter of the northwest quarter of the northwest quarter of Section 8, Township 38 North, Range 14 East of the Third Principal Meridian; said north line of Lot 1 being also the south line of the alley south of West 47<sup>th</sup> Street; thence west along said south line of the alley south of West 47<sup>th</sup> Street to the west line of Lot 44 in Block 3 of Kay's Addition to Chicago, being a subdivision of the northwest quarter of the northwest quarter of the northwest quarter and the south half of the northwest quarter of the northwest quarter all in Section 8, Township 38 North, Range 14 East of the Third Principal Meridian; said west line of Lot 44 in Block 3 of Kay's Subdivision being also the east line of the alley east of South Ashland Avenue; thence south along said east line of the alley east of South Ashland Avenue to the north line of West 48<sup>th</sup> Street; thence east along said north line of West 48<sup>th</sup> Street to the east line of South Justine Street; thence south along said east line of South Justine Street to the easterly extension of the north line of Lot 41 in Block 4 of the resubdivision of Blocks 3 and 4 in aforesaid Kay's Addition to Chicago; thence west along said easterly extension and the north line of Lot 41 in Block 4 of the resubdivision of Blocks 3 and 4 in Kay's Addition to Chicago to the west line of said Lot 41; said west line of Lot 41 being also the east line of the alley east of South Ashland Avenue; thence south along said east line of the alley east of South Ashland Avenue to the north line of West 49<sup>th</sup> Street; thence east along said north line of West 49<sup>th</sup> Street to the point of beginning at the east line of South Justine Street, excepting from the foregoing the following two parcels of land: Exception Parcel 1, being all that part of the west half of the southwest quarter of Section 5, Township 38 North, Range 14 East of the Third Principal Meridian bounded and described as follows: beginning at the point of intersection of the north line of West 46<sup>th</sup> Street with the west line of South Justine Street; thence west along said north line of West 46<sup>th</sup> Street to the west line of Lot 24 in Block 4 of S. E. Gross' Subdivision of the southwest quarter of the southwest quarter of Section 5, Township 38 North, Range 14 East of the Third Principal Meridian, said west line of Lot 24 being also the east line of the alley west of South Justine Street; thence north along said east line of the alley west of South Justine Street to the south line of West 45<sup>th</sup> Street; thence east along said south line of West 45<sup>th</sup> Street to the east line of Lot 44 in Block 2 of aforesaid S. E. Gross' Subdivision, said east line of Lot 44 being also the west line of the alley east of South Laflin Street; thence south along said west line of the alley east of South Laflin Street to the northeasterly line of Lot 30 in said Block 2 of S. E. Gross' Subdivision; said northeasterly line of Lot 30 being also the southwesterly line of the alley east of South Laflin

Street; thence southeast along said northeasterly line of Lot 30 in Block 2 of S. E. Gross Subdivision and along the northeasterly line of Lot 22 in said Block 2 of S. E. Gross Subdivision to the northwesterly line of McDowell Avenue; thence southwest along said northwesterly line of McDowell Avenue to the east line of South Laffin Street; thence north along said east line of South Laffin Street to the easterly extension of the south line of Lot 21 in Block 3 in said S. E. Gross Subdivision; thence west along said easterly extension and the south line of Lot 21 in Block 3 in S. E. Gross Subdivision and along the westerly extension thereof to the east line of Lot 27 in said Block 3 in S. E. Gross Subdivision, said east line of Lot 27 being also the west line of the alley west of South Laffin Street; thence south along said west line of the alley west of South Laffin Street to the north line of West 46<sup>th</sup> Street; thence west along said north line of West 46<sup>th</sup> Street to the point of beginning at the west line of South Justine Street; Township Section 2, being all that part of the west half of the southwest quarter of Township 38 North, Range 14 East of the Third Principal Meridian bounded and described as follows: beginning at the point of intersection of the south line of West 46<sup>th</sup> Street with the east line of South Laffin Street; thence east along said south line of West 46<sup>th</sup> Street to the west line of South Bishop Street; thence south along said west line of South Bishop Street to the south line of Lot 46 in Block 2 of S. E. Gross Subdivision of the southeast quarter of the southwest quarter of the southwest quarter of Section 8, Township 38 North, Range 14 East of the Third Principal Meridian; thence west along said south line of Lot 46 in Block 2 of S. E. Gross Subdivision and along the westerly extension thereof to the east line of Lot 5 in said Block 2 of S. E. Gross Subdivision; said east line of Lot 5 being also the west line of the alley east of South Laffin Street; thence south along said west line of the alley east of South Laffin Street to the north line of Lot 15 in said Block 2 of S. E. Gross Subdivision; thence west along said north line of Lot 15 in said Block 2 of S. E. Gross Subdivision to the west line of South Laffin Street; thence north along said east line of South Laffin Street to the point of beginning at the south line of West 46<sup>th</sup> Street; all in the City of Chicago, Cook County, Illinois.

**Exhibit "D"**  
**(To Ordinance)**

**Street Location Of 47<sup>th</sup> / Ashland  
 Redevelopment Area**

The Area contains industrial, commercial and some residential property in an area generally bounded by West 41<sup>st</sup> Street on the north, South Racine Avenue on the east, West 53<sup>rd</sup> Street on the south and South Leavitt Street and the B. & O. G. T. Railroad right-of-way on the west.

Exhibit

**B**

**Exhibit B**

**PROPERTY**

**Legal Description:**

**PARCEL 1:**

THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, EXCEPTING FROM ABOVE-DESCRIBED PARCEL OF LAND THOSE PARTS THEREOF TAKEN OR USED FOR STREET PURPOSES AS PER DOCUMENT NO. 907217.

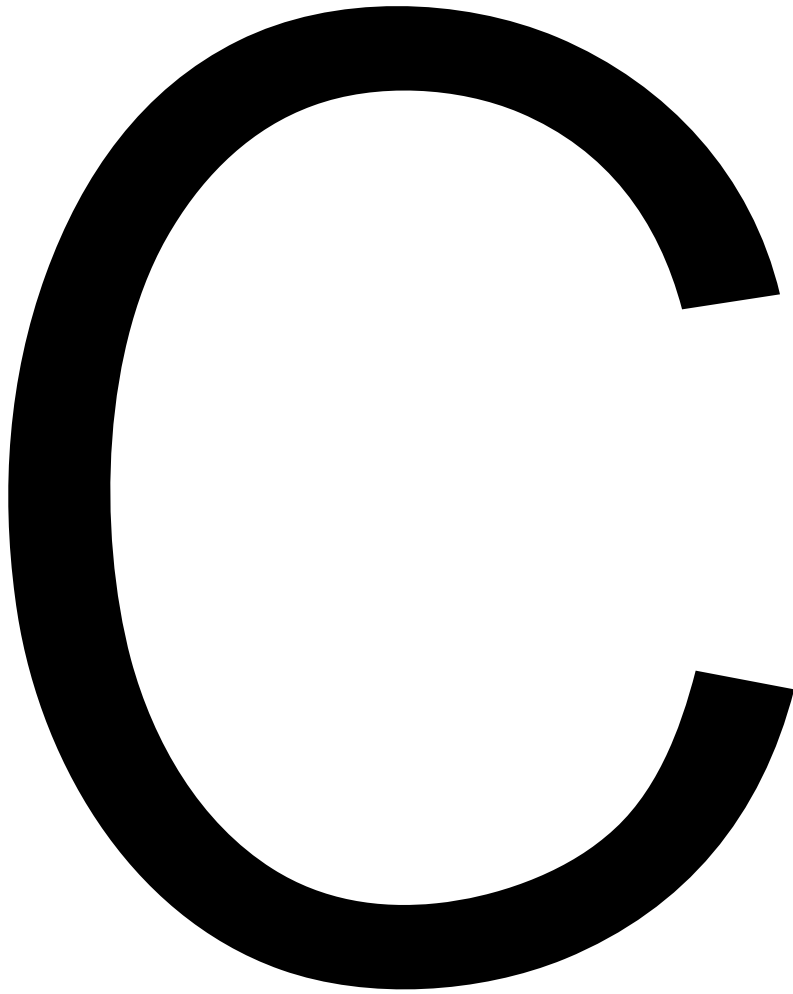
**PARCEL 2:**

LOTS 31 THROUGH 38 IN BLOCK 2 IN THE S. E. GROSS SUBDIVISION OF THE SOUTHEAST ¼ OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 1422 W. 47<sup>TH</sup> STREET, CHICAGO, ILLINOIS  
4628 - 44 S. BISHOP STREET, CHICAGO, ILLINOIS

PINS: 20-05-309-030-0000  
20-05-309-031-0000  
20-05-309-032-0000  
20-05-309-033-0000  
20-05-309-034-0000  
20-05-309-035-0000  
20-05-309-036-0000  
20-05-309-037-0000  
20-05-310-002-0000  
20-05-310-003-0000

Exhibit





**Exhibit C**

**TIF-FUNDED IMPROVEMENTS**

**Project Activities**

**Hard Costs:**

Renovation and Reconfiguration of former Jewel Store - Building A	\$	2,327,312
Tenant Improvements / Improvement Allowances in former Jewel Store - Building A		1,100,845
Façade and New Roofing of Building C		192,722
EPA Repairs		75,000
Site Improvements		852,580

**Estimated TIF - Eligible Costs:** 4,548,459

Exhibit

G

## **EXHIBIT G**

### **PERMITTED LIENS**

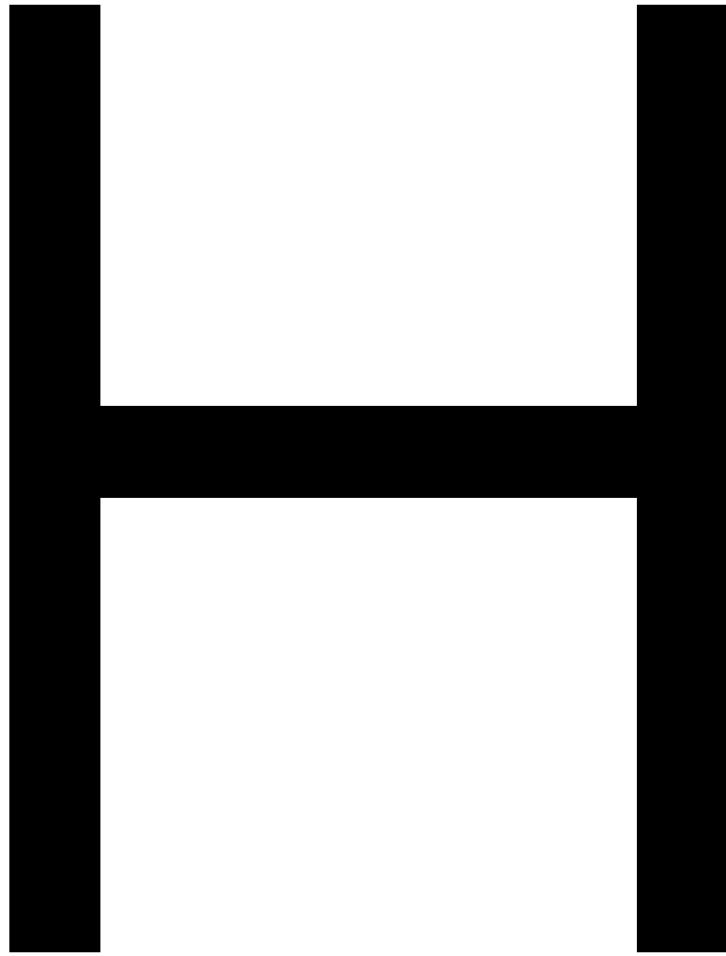
**1. Liens or encumbrances against the Property:**

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 the Developer or the Project, other than liens against the Property, if any:**

None.

Exhibit



**EXHIBIT H**  
**PROJECT BUDGET**

**Project Activities**

**Acquisition Costs:**

Land Acquisition (former Jewel Store - Building A)	\$ 1,420,000
Settlement - Jewel Release of Restrictive Land Covenant	383,000
Acquisition of Building C	1,250,000 (A)

---

<b>Total Acquisition Costs</b>	<b>3,053,000</b>
--------------------------------	------------------

---

**Hard Costs:**

Renovation and Reconfiguration of former Jewel Store - Building A	2,327,312
Tenant Improvements / Improvement Allowances in former Jewel Store - Building A	1,100,845
Building B New Construction 6,000 Sq Ft Building (Includes Vanilla Box & Green Roof)	977,227
Façade and New Roofing of Building C	192,722
EPA Repairs	75,000
Site Improvements	852,580

---

<b>Sub-Total Hard Costs</b>	<b>5,525,686</b>
<b>Construction Contingency</b>	<b>165,771</b>

---

<b>Total Hard Costs</b>	<b>5,691,457</b>
-------------------------	------------------

---

**Soft Costs / Fees:**

Architecture, Engineering, Permits & Fees	325,000
Developer Fee	232,024
Title, Escrow, Survey & Legal	199,967
Commission - Acquisition	85,200
Leasing Commission & Consulting Fees	360,000
Financing / Carrying Costs	1,251,732
Construction Period Real Estate Taxes	125,000

---

<b>Sub-Total Soft Costs / Fees</b>	<b>2,578,923</b>
<b>Soft Costs / Fees Contingency</b>	<b>51,771</b>

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<b>Total Soft Costs / Fees</b>	<b>2,630,694</b>
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<b>Gross Project Costs</b>	<b>11,375,151</b>
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<b>Less Acquisition Cost of Building C</b>	<b>(1,250,000) (A)</b>
--	------------------------

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<b>Net Project Cost</b>	<b>\$ 10,125,151</b>
-------------------------	----------------------

---

**Note (A)**

Building C is included in "Gross Project Cost" as the Project will receive TIF revenue related to the PIN's of this property and the property is pledged as collateral for bank financing purposes. Building and site improvements related to Building C are included in "Hard Costs" detailed above. The acquisition cost of Building C has been deducted to compute "Net Project Cost" in order to comply with City budget requirements.

## Exhibit H-2

### MBE/WBE BUDGET

#### Project Activities

##### Hard Costs:

Renovation and Reconfiguration of former Jewel Store - Building A	\$	2,327,312
Tenant Improvements / Improvement Allowances in former Jewel Store - Building A		1,100,845
Building B New Construction 6,000 sq. ft. Building		977,227
Façade and New Roofing of Building C		192,722
EPA Repairs		75,000
Site Improvements		852,580

##### Total Hard Costs

---

\$ 5,525,686

##### MBE value (24.00% of Hard Costs)

---

\$ 1,326,165

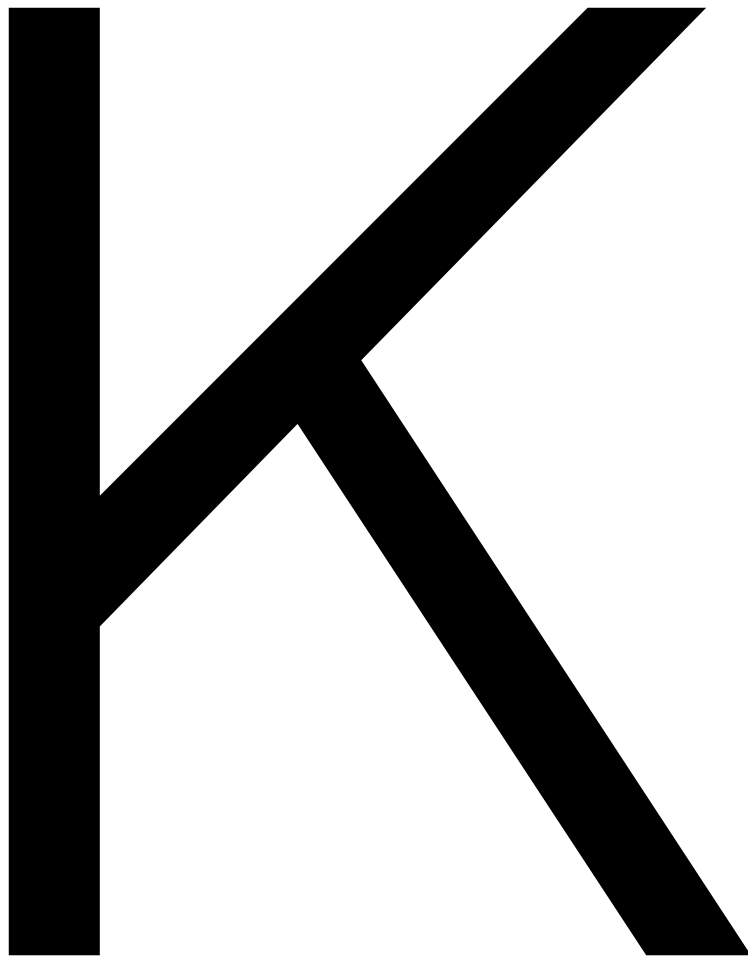
##### WBE value (4.00% of Hard Costs)

---

\$ 221,027

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Exhibit



**EXHIBIT K**

**PRELIMINARY TIF PROJECTION –REAL ESTATE TAXES**

**[See attached]**



Row#	Building Taxes	Building Space	Taxes/Building Sq Ft	Total
2			\$2.50	
3	Manufacturing	0	\$2.00	0
4	Warehouse/Distribution	0	\$3.00	0
5	Office	75,699	\$4.50	340,648
6	Retail	0	\$1.50	0
7	Garage	0	\$1.50	0
8	Rental Residential	0	\$1.50	0
9	Total	75,699	\$4.50	340,648

To Calculate  
 Building Sq Footage  
 0 acres  
 43,580 sqft/acre  
 0 total sf  
 0 sf/building on total site  
 (assume 50% coverage)

Other Development Information

10	Yr Building Completed	2003
11	Yr of Full occupancy	2004
12	1st Yr Taxes	2005
13	Yr discounted to	2003
14	Reassessment Incr	0.060
15	Base EAV	1,223,749
16	Tax Rate	0.077
17	Base Taxes	94,131
18	Last Collection Yr	2025
19	Incr Avail to Devel	79%
20	Assessment Rate	36%

Increment Projections w/o Property Tax Incentive

Year Taxes Collected	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Year Taxes Collected	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
% Occupied for Tax Yr	0%	0%	0%	0%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Reassessment Inc	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.0%	0.0%	0.0%	0.0%	0.0%	6.0%	0.0%	0.0%	
Inflation Adjust. Factor	100.00%	100.00%	100.00%	106.00%	106.00%	106.00%	112.36%	112.36%	112.36%	119.10%	119.10%	119.10%	126.25%	126.25%	126.25%	133.82%	133.82%	133.82%	141.85%	141.85%	141.85%	150.36%	150.36%	150.36%	156.36%	156.36%	
Inflated Taxes	94,131	94,131	94,131	99,779	361,084	361,084	382,749	382,749	382,749	405,714	405,714	405,714	430,057	430,057	430,057	455,861	455,861	455,861	483,212	483,212	483,212	512,205	512,205	512,205	542,937	542,937	
Base Taxes	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	94,131	
Total Incremental Taxes	0	0	0	5,648	266,953	266,953	286,619	286,619	286,619	311,583	311,583	311,583	335,926	335,926	335,926	361,730	361,730	361,730	389,081	389,081	389,081	418,074	418,074	418,074	448,806	448,806	
Incr Avail to Devel	0	0	0	4,452	210,444	210,444	227,523	227,523	227,523	245,627	245,627	245,627	264,816	264,816	264,816	285,158	285,158	285,158	306,719	306,719	306,719	329,575	329,575	329,575	353,802	353,802	
Total Avail to Devel	5,757,396																										

NPV of Increment Available to Developer w/o Property Tax Incentive

npv at 7% discount rate	2,134,186	2,283,579	2,443,429
npv at 8%	1,886,146	2,037,038	2,200,001
npv at 9%	1,673,766	1,824,405	1,988,602

County 6b/7a/7b Analysis (assumes incentive applied to all of site and buildings)

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Inflated Taxes	94,131	94,131	94,131	99,779	361,084	361,084	382,749	382,749	382,749	405,714	405,714	405,714	430,057	430,057	430,057	455,861	455,861	455,861	483,212	483,212	483,212	512,205	512,205	512,205	542,937	542,937	
% Taxes with 6b/7a/7b	100.0%	100.0%	100.0%	100.0%	44.4%	44.4%	44.4%	44.4%	44.4%	44.4%	44.4%	44.4%	44.4%	44.4%	44.4%	63.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Taxes with 6b/7a/7b	94,131	94,131	94,131	99,779	160,482	160,482	170,111	170,111	170,111	180,317	180,317	180,317	191,136	191,136	191,136	274,759	379,884	455,861	483,212	483,212	483,212	512,205	512,205	512,205	542,937	542,937	
Incremental Taxes	0	0	0	5,648	66,351	66,351	75,980	75,980	75,980	86,187	86,187	86,187	97,006	97,006	97,006	160,828	265,753	361,730	361,730	389,081	389,081	389,081	418,074	418,074	418,074	448,806	448,806
Incr Avail to Devel	0	0	0	4,452	52,306	52,306	59,896	59,896	59,896	67,942	67,942	67,942	76,471	76,471	76,471	142,382	225,264	285,158	285,158	306,719	306,719	306,719	329,575	329,575	329,575	353,802	353,802
Total Savings	3,848,178																										

NPV of Increment Available to Developer w/ Tax Incentive

npv at 7% discount rate	1,153,438	1,234,178	1,320,571
npv at 8%	968,116	1,067,166	1,162,539
npv at 9%	850,113	926,823	1,010,019

Level of Project Assistance

Project Budget	23,000,000
TIF Request/Offer	0 0.0%
6b/7a/7b at 8%	1,136,173 5.0%
Other Assistance	0 0.0%
Total NPV Assistance	1,136,173 5.0%

Row#

1 Table w/o

2

3 \$2.00 to \$

4 \$1.50 to \$

5 Need mon

6 \$4.00 to \$

7 Need mon

8 Need mon

9 Table calc

10 Inputs to e

11 Spreadsht

12 See above

13 Spreadsht

14 Typing 0

15 Equal to a

16 Total of ce

17 Converts t

18 The result

19 Enter ast

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40 Based on

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45 Sum of inc

46 Discounts

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51 Total (not

52 NPV of sa

53 NPV of sa

54 NPV of sa

55

56

57 Table Calc

58 Total Proj

59 Enter amo

60 Calculated

61 Savings t

62 Total asse

63

Exhibit

**M**

**EXHIBIT M**

FORM OF NOTE

REGISTERED  
NO. R-1

MAXIMUM AMOUNT  
\$ \_\_\_\_\_

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO  
TAX INCREMENT ALLOCATION REVENUE NOTE (47<sup>th</sup>/ASHLAND  
REDEVELOPMENT PROJECT), TAXABLE SERIES A**

Registered Owner: Bishop Plaza, L.L.C.

Interest Rate: 8% per annum

Maturity Date: \_\_\_\_\_, [the earlier of 20 years following the date of issuance or  
December 31, 2025]

**KNOW ALL PERSONS BY THESE PRESENTS**, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of \$ \_\_\_\_\_ and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of the advance. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this Note from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due February 1 of each year until the earlier

of Maturity or until this Note is paid in full. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$ \_\_\_\_\_ for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Bishop Plaza, L.L.C. (the "Project"), which were acquired, constructed and installed in connection with the development of an approximately \_\_\_\_\_ square foot retail shopping area in the 47<sup>th</sup>/Ashland Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on \_\_\_\_\_, \_\_\_\_ (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain

incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. **THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AVAILABLE EXCESS INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE.** The principal of this Note is subject to redemption on any date, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes or other denominations.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance and Redevelopment Agreement, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide.

Pursuant to the Redevelopment Agreement dated as of \_\_\_\_\_, \_\_\_\_ between the City and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner has agreed to rehabilitate and construct the Project and to advance funds for the construction and rehabilitation of certain facilities related to the Project on behalf of the City. The cost of such rehabilitation and construction in the amount of \$ \_\_\_\_\_ shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Sections 15.02 and 15.05 of the Redevelopment Agreement, the City has reserved

the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions, and the City has reserved the right to offset liquidated damage amounts owed to the City against the principal amount outstanding under this Note. Except as set forth in the Redevelopment Agreement, the City shall not be obligated to make payments under this Note if an Event of Default (as defined in and subject to the terms of the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

**IN WITNESS WHEREOF**, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of \_\_\_\_\_, \_\_\_\_.

Mayor

(SEAL)

Attest:

City Clerk

**CERTIFICATE  
OF  
AUTHENTICATION**

Registrar  
and Paying Agent  
Comptroller of the  
City of Chicago,  
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (47<sup>th</sup>/Ashland TIF Redevelopment Project), Taxable Series A, of the City of Chicago, Cook County, Illinois.

Comptroller

Date:



**PRINCIPAL PAYMENT RECORD**

DATE OF PAYMENT

PRINCIPAL PAYMENT

PRINCIPAL BALANCE DUE

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to by:

CITY OF CHICAGO  
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

CERTIFICATION OF EXPENDITURE

(Closing Date)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")  
\$ \_\_\_\_\_ Tax Increment Allocation Revenue Note  
(47<sup>th</sup>/Ashland TIF Redevelopment Project, Taxable Series A)  
(the "Redevelopment Note")

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on \_\_\_\_\_, \_\_\_\_ (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ \_\_\_\_\_ is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$ \_\_\_\_\_, ~~including~~ the amount of this Certificate and less payment made on the Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of (Closing Date).

CITY OF CHICAGO

By: \_\_\_\_\_  
Commissioner  
Department of Planning and  
Development

AUTHENTICATED BY:

\_\_\_\_\_  
REGISTRAR

Exhibit

**N**

## EXHIBIT N

### PUBLIC BENEFITS PROGRAM

Developer shall make donations made payable to the following Public Benefits Programs or such other programs as determined by the City on the Closing Date in the amounts listed below:

<u>Program</u>	<u>Amount</u>
Kid Start Program	\$15,000
Senior Satellite Center Program	\$15,000

CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT  
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

BISHOP PLAZA, L.L.C. an Illinois limited liability Co.

Check ONE of the following three boxes:

Indicate whether Disclosing Party submitting this EDS is:

1.  the Applicant

OR

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

OR

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

B. Business address of Disclosing Party:

1/0 MATANKY REALTY GROUP, INC.  
200 N. LaSalle, Suite 2350  
CHICAGO, IL 60601

C. Telephone: 312 337 1001 Fax: 312 337 5996 Email: JMATANKY@MATANKY.COM

D. Name of contact person: JAMES MATANKY

E. Federal Employer Identification No. (if you have one): 20-3744712

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

47th + BISHOP  
REDEVELOPMENT ASSISTANCE - 4.5 ACRE Parcel of land and underutilized buildings - RETAIL + SERVICE

G. Which City agency or department is requesting this EDS? DEPARTMENT OF PLANNING

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

Specification # N/A and Contract # \_\_\_\_\_

**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:

- Person  Limited liability company\*
- Publicly registered business corporation  Limited liability partnership\*
- Privately held business corporation  Joint venture\*
- Sole proprietorship  Not-for-profit corporation
- General partnership\* (Is the not-for-profit corporation also a 501(c)(3))?
- Limited partnership\*  Yes  No
- Trust  Other (please specify)

\* Note B.1.b below.

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

ILLINOIS

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

- Yes  No  N/A

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

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

Name	Title
<u>NO MEMBERS</u>	

1.b. If you checked "General partnership," "Limited partnership," "Limited liability company," "Limited liability partnership" or "Joint venture" in response to Item A.1. above (Nature of Disclosing Party), list below the name and title of each general partner, managing member, manager or

any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
<u>CITRON, L.L.C. an Illinois Ltd. liab. Co</u>	<u>MANAGER</u>

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
<u>CRF PROJECTS LLC Series 2005-2, a</u>		<u>49%</u>
<u>% Community REINVESTMENT FUND</u>		
<u>Delaware LLC. 850 W. JACKSON, SUITE 825, CA 60607</u>		
<u>CITRON, L.L.C., an Ill. Ltd. liab. Co</u>		<u>51%</u>
<u>% MATANKY REALTY GROUP, INC 200 N. LaSalle St, CA 60601</u>		

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

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

Yes                       No

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

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

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total



amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

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

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

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)
S.B. FRIEDMAN	221 N. LaSalle	CONSULTANT	\$14,285 PA
BELL & PENNYL	111 W. Washington	LEGAL	\$40,000 EST
SWEPSKY & FROGLICH	111 E. Wacker Dr	LEGAL	\$100,000 EST

(Add sheets if necessary)

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

**SECTION V – CERTIFICATIONS**

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

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

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

[ ] Yes       No      [ ] No person owns 10% or more of the Disclosing Party.

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

[ ] Yes      [ ] No

## B. FURTHER CERTIFICATIONS

1. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:
  - a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
  - b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
  - c. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause B.1.b. of this Section V;
  - d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
  - e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.
2. The certifications in subparts 2, 3 and 4 concern:
  - the Disclosing Party;
  - any “Applicable Party” (meaning any party participating in the performance of the Matter, including but not limited to any 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 Applicable Parties, the term Affiliated Entity means a person or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under common control of another person or entity;

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

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

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
  - b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
  - c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
  - d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).
3. Neither the Disclosing Party, Affiliated Entity or Applicable Party, 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.
4. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.
5. The Disclosing Party understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2-156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).

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

N/A

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

For purposes of this Part C, under Municipal Code Section 2-32-455(b), the term "financial institution" means a bank, savings and loan association, thrift, credit union, mortgage banker, mortgage broker, trust company, savings bank, investment bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, venture capital company, bank holding company, financial services holding company, or any licensee under the Consumer Installment Loan Act, the Sales Finance Agency Act, or the Residential Mortgage Licensing Act. However, "financial institution" specifically shall not include any entity whose predominant business is the providing of tax deferred, defined contribution, pension plans to public employees in accordance with Sections 403(b) and 457 of the Internal Revenue Code. (Additional definitions may be found in Municipal Code Section 2-32-455(b).)

1. CERTIFICATION

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

is  is not

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

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

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

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

2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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

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

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

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

Yes                       No

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

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

Does the Matter involve a City Property Sale?

Yes                       No

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

Name	Business Address	Nature of Interest

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

**E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS**

The Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies from the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves) and has disclosed in this EDS any and all such records to the City. In addition, the Disclosing Party must disclose the names of any and all slaves or slaveholders described in those records. Failure to comply with these disclosure requirements may make the Matter to which this EDS pertains voidable by the City.

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 requisite information as set forth in that paragraph 2.

1. The Disclosing Party verifies that (a) the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies, and (b) the Disclosing Party has found no records of investments or profits from slavery, the slave industry, or slaveholder insurance policies and no records of names of any slaves or slaveholders.

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

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

**NOTE:** If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII.

**A. CERTIFICATION REGARDING LOBBYING**

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

N/A

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

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

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

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any person or entity for influencing or attempting 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 Matter, the Disclosing Party must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sflllin.pdf>, linked on the page [http://www.whitehouse.gov/omb/grants/grants\\_forms.html](http://www.whitehouse.gov/omb/grants/grants_forms.html).

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

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

## **B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY**

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

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

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

Yes

No

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

Yes

No

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

Yes

No

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

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

The Disclosing Party understands and agrees that:

A. By completing and filing this EDS, the Disclosing Party acknowledges and agrees, on behalf of itself and the persons or entities named in this EDS, that the City may investigate the creditworthiness of some or all of the persons or entities named in this EDS.

B. 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.

C. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.



D. 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, void or voidable), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

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

F. 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.

The Disclosing Party represents and warrants that:

G. The Disclosing Party has not withheld or reserved any disclosures as to economic interests in the Disclosing Party, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.

For purposes of the certifications in H.1. and H.2. below, the term "affiliate" means any 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 the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

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

H.2 If the Disclosing Party is the Applicant, the Disclosing Party and its affiliates will not use, nor permit their subcontractors to use, any facility on the U.S. EPA's List of Violating Facilities in connection with the Matter for the duration of time that such facility remains on the list.

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

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

**CERTIFICATION**

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

BISHOP PLAZA, L.L.C., an Ill. Ltd. Liab. Company  
(Print or type name of Disclosing Party)

Date: 3/20/06

By: Citron, L.L.C., manager

J. E. Matanley, manager  
(sign here)

J.E. MATANKY  
(Print or type name of person signing)

MANAGER  
(Print or type title of person signing)

Signed and sworn to before me on (date) March 20, 2006, by J. E. Matanley,  
at Cook County, Illinois (state).

Pamela Lawrence Notary Public.

Commission expires: 8/12/09.



**INSTRUCTIONS FOR COMPLETING  
CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT  
AND AFFIDAVIT**

The City of Chicago (the "City") requires disclosure of the information requested in this Economic Disclosure Statement and Affidavit ("EDS") before any City agency, department or City Council action regarding the matter that is the subject of this EDS. Please fully complete each statement, with all information current as of the date this EDS is signed. If a question is not applicable, answer with "N.A." An incomplete EDS will be returned and any City action will be delayed.

Please print or type all responses clearly and legibly. Add additional pages if needed, being careful to identify the portion of the EDS to which each additional page refers.

For purposes of this EDS:

**"Applicant"** means any entity or person making an application to the City for action requiring City Council or other City agency approval.

**"Disclosing Party"** means any entity or person submitting an EDS.

**"Entity"** or **"Legal Entity"** means a legal entity (for example, a corporation, partnership, joint venture, limited liability company or trust).

**"Person"** means a human being.

**WHO MUST SUBMIT AN EDS:**

An EDS must be submitted in any of the following three circumstances:

1. **Applicants:** An Applicant must always file this EDS. If the Applicant is a legal entity, state the full name of that legal entity. If the Applicant is a person acting on his/her own behalf, state his/her name.
2. **Entities holding an interest:** Whenever a legal entity has a beneficial interest (i.e. direct or indirect ownership) of more than 7.5% in the Applicant, each such legal entity must file an EDS on its own behalf.
3. **Controlling entities.** Whenever a Disclosing Party is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture that has a general partner, managing member, manager or other entity that can control the day-to-day management of the Disclosing Party, that entity must also file an EDS on its own behalf. Each entity with a beneficial interest of more than 7.5% in the controlling entity must also file an EDS on its own behalf.

CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT  
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

CITRON, L.L.C., an Illinois Limited Liability Company

Check ONE of the following three boxes:

Indicate whether Disclosing Party submitting this EDS is:

1.  the Applicant

OR

2.  a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which Disclosing Party holds an interest: BISHOP PLAZA, L.L.C.

OR

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

B. Business address of Disclosing Party:

90 MATANKY REALTY GROUP, INC  
200 N. LaSalle Street, Suite 2350, Chicago, IL 60601

C. Telephone: 312 337-1001 Fax: 312 337 5996 Email: JMATANKY@MATANKY.COM

D. Name of contact person: JAMES MATANKY

E. Federal Employer Identification No. (if you have one): 36-395 0695

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

47th + BISHOP REDEVELOPMENT ASSISTANCE  
4.5 ACRE PARCEL OF LAND AND UNDERUTILIZED BUILDINGS - RETAIL + SERVICE USE

G. Which City agency or department is requesting this EDS? DEPARTMENT OF PLANNING

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

Specification # N/A and Contract # \_\_\_\_\_

**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:

- |   |  |
|---|--|
| <input type="checkbox"/> Person                                   | <input checked="" type="checkbox"/> Limited liability company* |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership*        |
| <input type="checkbox"/> Privately held business corporation      | <input type="checkbox"/> Joint venture*                        |
| <input type="checkbox"/> Sole proprietorship                      | <input type="checkbox"/> Not-for-profit corporation            |
| <input type="checkbox"/> General partnership*                     | (Is the not-for-profit corporation also a 501(c)(3))?          |
| <input type="checkbox"/> Limited partnership*                     | <input type="checkbox"/> Yes <input type="checkbox"/> No       |
| <input type="checkbox"/> Trust                                    | <input type="checkbox"/> Other (please specify)                |

\* Note B.1.b below.

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

ILLINOIS

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

- Yes  No  N/A

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

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

Name	Title
<u>NO MEMBERS</u>	

1.b. If you checked "General partnership," "Limited partnership," "Limited liability company," "Limited liability partnership" or "Joint venture" in response to Item A.1. above (Nature of Disclosing Party), list below the name and title of each general partner, managing member, manager or

any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
JAMES E. MATANKY	MANAGER
JAMES A. RAFF	MANAGER

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
JAMES E. MATANKY	200 N. La Salle, Ste 2350, Cgo 60601	50%
JAMES A. RAFF	90 RPK, 1640 W. Hubbard, Cgo IL 60622	50%

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

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

Yes  No

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

\_\_\_\_\_

\_\_\_\_\_

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

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total

amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

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

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

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)
S.B. ERIEDMAN	221 N. LaSalle	CONSULTANT	\$ 14,285 pd
BGLL + Pensch	111 W. Washington	LEGAL	\$ 40,000 EST
Sketsky : Froelich	111 E. Wacker	LEGAL	\$ 100,000 EST

(Add sheets if necessary)

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

**SECTION V -- CERTIFICATIONS**

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

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

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

Yes       No       No person owns 10% or more of the Disclosing Party.

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

Yes       No

## B. FURTHER CERTIFICATIONS

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

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause B.1.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

2. The certifications in subparts 2, 3 and 4 concern:

- the Disclosing Party;
- any "Applicable Party" (meaning any party participating in the performance of the Matter, including but not limited to any 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 Applicable Parties, the term Affiliated Entity means a person or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under common control of another person or entity;



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

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

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

3. Neither the Disclosing Party, Affiliated Entity or Applicable Party, 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.

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

5. The Disclosing Party understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2-156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).

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

N/A

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

For purposes of this Part C, under Municipal Code Section 2-32-455(b), the term "financial institution" means a bank, savings and loan association, thrift, credit union, mortgage banker, mortgage broker, trust company, savings bank, investment bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, venture capital company, bank holding company, financial services holding company, or any licensee under the Consumer Installment Loan Act, the Sales Finance Agency Act, or the Residential Mortgage Licensing Act. However, "financial institution" specifically shall not include any entity whose predominant business is the providing of tax deferred, defined contribution, pension plans to public employees in accordance with Sections 403(b) and 457 of the Internal Revenue Code. (Additional definitions may be found in Municipal Code Section 2-32-455(b).)

1. CERTIFICATION

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

[ ] is  is not

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

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

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

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

2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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

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

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

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

Yes

No

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

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

Does the Matter involve a City Property Sale?

Yes

No

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

Name	Business Address	Nature of Interest

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

The Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies from the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves) and has disclosed in this EDS any and all such records to the City. In addition, the Disclosing Party must disclose the names of any and all slaves or slaveholders described in those records. Failure to comply with these disclosure requirements may make the Matter to which this EDS pertains voidable by the City.

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 requisite information as set forth in that paragraph 2.

1. The Disclosing Party verifies that (a) the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies, and (b) the Disclosing Party has found no records of investments or profits from slavery, the slave industry, or slaveholder insurance policies and no records of names of any slaves or slaveholders.

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

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

**NOTE:** If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII.

A. CERTIFICATION REGARDING LOBBYING

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

N/A

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

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

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

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any person or entity for influencing or attempting 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 Matter, the Disclosing Party must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sflllin.pdf>, linked on the page [http://www.whitehouse.gov/omb/grants/grants\\_forms.html](http://www.whitehouse.gov/omb/grants/grants_forms.html).

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

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

## **B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY**

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

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

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

Yes

No

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

Yes

No

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

Yes

No

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

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

The Disclosing Party understands and agrees that:

A. By completing and filing this EDS, the Disclosing Party acknowledges and agrees, on behalf of itself and the persons or entities named in this EDS, that the City may investigate the creditworthiness of some or all of the persons or entities named in this EDS.

B. 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.

C. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

D. 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, void or voidable), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

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

F. 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.

The Disclosing Party represents and warrants that:

G. The Disclosing Party has not withheld or reserved any disclosures as to economic interests in the Disclosing Party, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.

For purposes of the certifications in H.1. and H.2. below, the term "affiliate" means any 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 the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

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

H.2. If the Disclosing Party is the Applicant, the Disclosing Party and its affiliates will not use, nor permit their subcontractors to use, any facility on the U.S. EPA's List of Violating Facilities in connection with the Matter for the duration of time that such facility remains on the list.

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

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

**CERTIFICATION**

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

CITRON, L.L.C., an IL Ltd Liability Company  
(Print or type name of Disclosing Party)

Date: 3/20/06

By:

J. E. Matanky, mgr  
(sign here)

J.E. MATANKY  
(Print or type name of person signing)

MANAGER  
(Print or type title of person signing)

Signed and sworn to before me on (date) March 20, 2006, by J.E. Matanky,  
at Cook County, Illinois (state).

Pamela Lawrence Notary Public.

Commission expires: 8/12/09.





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

**SECTION I -- GENERAL INFORMATION**

A. Legal name of Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

CRF Projects LLC Series 2005-2, a Delaware limited liability company series

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

Indicate whether Disclosing Party submitting this EDS is:

1.  the Applicant

OR

2.  a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which Disclosing Party holds an interest: Bishop Plaza L.L.C.

OR

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

B. Business address of Disclosing Party:

850 West Jackson Blvd, Suite 825

Chicago, Illinois 60607

C. Telephone: 312-243-0088 Fax: 312-243-0089 Email: pquigley@comreinvest.com

D. Name of contact person: Peter C Quigley, General Counsel

E. Federal Employer Identification No. (if you have one): 36-4380122

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

Redevelopment of property located at 1422 West 47th Street and 4628-44 South Bishop Street, Chicago, Illinois

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 # N/A and Contract # N/A

**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:

- Person
- Publicly registered business corporation
- Privately held business corporation
- Sole proprietorship
- General partnership\*
- Limited partnership\*
- Trust
- Limited liability company\*
- Limited liability partnership\*
- Joint venture\*
- Not-for-profit corporation  
(Is the not-for-profit corporation also a 501(c)(3))?  
 Yes  No
- Other (please specify)

\* Note B.1.b below.

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

Delaware

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

- Yes  No  N/A

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

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

Name

Title

See Attached Exhibit - No Members

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1.b. If you checked "General partnership," "Limited partnership," "Limited liability company," "Limited liability partnership" or "Joint venture" in response to Item A.1. above (Nature of Disclosing Party), list below the name and title of each general partner, managing member, manager or

any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Community Reinvestment Fund, Inc.	Manager

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Community Reinvestment Fund, Inc.	850 West Jackson Blvd; Suite 825	Chicago, Illinois 60607
		100%

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

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

Yes                       No

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

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

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total

amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

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

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

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)
None			

(Add sheets if necessary)

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

**SECTION V -- CERTIFICATIONS**

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

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

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

Yes       No       No person owns 10% or more of the Disclosing Party.

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

Yes       No

## B. FURTHER CERTIFICATIONS

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

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause B.1.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

2. The certifications in subparts 2, 3 and 4 concern:

- the Disclosing Party;
- any "Applicable Party" (meaning any party participating in the performance of the Matter, including but not limited to any 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 Applicable Parties, the term Affiliated Entity means a person or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under common control of another person or entity;

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

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

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

3. Neither the Disclosing Party, Affiliated Entity or Applicable Party, 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.

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

5. The Disclosing Party understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2-156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).

6. 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:

None

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

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

For purposes of this Part C, under Municipal Code Section 2-32-455(b), the term "financial institution" means a bank, savings and loan association, thrift, credit union, mortgage banker, mortgage broker, trust company, savings bank, investment bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, venture capital company, bank holding company, financial services holding company, or any licensee under the Consumer Installment Loan Act, the Sales Finance Agency Act, or the Residential Mortgage Licensing Act. However, "financial institution" specifically shall not include any entity whose predominant business is the providing of tax deferred, defined contribution, pension plans to public employees in accordance with Sections 403(b) and 457 of the Internal Revenue Code. (Additional definitions may be found in Municipal Code Section 2-32-455(b).)

**1. CERTIFICATION**

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

is  is not

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

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

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

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

2-32 of the Municipal Code, explain here (attach additional pages if necessary):

None

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

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

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

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

Yes  No

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

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

Does the Matter involve a City Property Sale?

Yes  No

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

Name	Business Address	Nature of Interest
<hr/>		
<hr/>		
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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**

The Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies from the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves) and has disclosed in this EDS any and all such records to the City. In addition, the Disclosing Party must disclose the names of any and all slaves or slaveholders described in those records. Failure to comply with these disclosure requirements may make the Matter to which this EDS pertains voidable by the City.

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 requisite information as set forth in that paragraph 2.

1. The Disclosing Party verifies that (a) the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies, and (b) the Disclosing Party has found no records of investments or profits from slavery, the slave industry, or slaveholder insurance policies and no records of names of any slaves or slaveholders.

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

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

**NOTE:** If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII.

**A. CERTIFICATION REGARDING LOBBYING**

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

None

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

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

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

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any person or entity for influencing or attempting 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 Matter, the Disclosing Party must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sflllin.pdf>, linked on the page [http://www.whitehouse.gov/omb/grants/grants\\_forms.html](http://www.whitehouse.gov/omb/grants/grants_forms.html).

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

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

## **B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY**

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

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

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

Yes

No

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

Yes

No

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

Yes

No

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

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

The Disclosing Party understands and agrees that:

A. By completing and filing this EDS, the Disclosing Party acknowledges and agrees, on behalf of itself and the persons or entities named in this EDS, that the City may investigate the creditworthiness of some or all of the persons or entities named in this EDS.

B. 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.

C. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

D. 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, void or voidable), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

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

F. 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.

The Disclosing Party represents and warrants that:

G. The Disclosing Party has not withheld or reserved any disclosures as to economic interests in the Disclosing Party, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.

For purposes of the certifications in H.1. and H.2. below, the term "affiliate" means any 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 the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

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

H.2. If the Disclosing Party is the Applicant, the Disclosing Party and its affiliates will not use, nor permit their subcontractors to use, any facility on the U.S. EPA's List of Violating Facilities in connection with the Matter for the duration of time that such facility remains on the list.

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

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

**CERTIFICATION**

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

CRF Projects LLC Series 2005-2

Date: March 13, 2006

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

By: Community Reinvestment Fund, Inc , its Manager

*Nicholas J. Shapiro*  
(sign here)

Nicholas J Shapiro

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

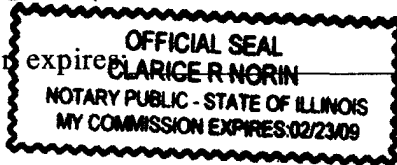
President

\_\_\_\_\_  
(Print or type title of person signing)

Signed and sworn to before me on (date) 3/13/06, by Clarice R. Norin,  
at COOK County, ILLINOIS (state).

Clarice R. Norin Notary Public.

Commission expires



**EXHIBIT A**

**COMMUNITY REINVESTMENT FUND, INC.  
OFFICERS AND DIRECTORS**

<b>Officers</b>	<b>Title</b>
Steven C. Arbuthnot	Chairman of the Board
Nicholas J. Shapiro	President
Peter C. Quigley	General Counsel and Assistant Secretary
Tami L. Wielgus	Treasurer
Jeffrey Kuta	Secretary

**Directors**  
Steven C. Arbuthnot  
Robin Coffey  
George Dinges  
Nicholas J. Shapiro

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

**SECTION I -- GENERAL INFORMATION**

A. Legal name of Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Community Reinvestment Fund, Inc

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

Indicate whether Disclosing Party submitting this EDS is:

1.  the Applicant

OR

2.  a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which Disclosing Party holds an interest: Bishop Plaza L.L.C

OR

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

B. Business address of Disclosing Party:

850 West Jackson Blvd; Suite 825

Chicago, Illinois 60607

C. Telephone: 312-243-0088 Fax: 312-243-0089 Email: pquigley@comreinvest.com

D. Name of contact person: Peter C. Quigley, General Counsel

E. Federal Employer Identification No. (if you have one): 36-4281513

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

Redevelopment of property located at 1422 West 47th Street and 4628-44 South Bishop Street, Chicago, Illinois

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 # N/A and Contract # N/A

**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:

- Person
- Publicly registered business corporation
- Privately held business corporation
- Sole proprietorship
- General partnership\*
- Limited partnership\*
- Trust
- Limited liability company\*
- Limited liability partnership\*
- Joint venture\*
- Not-for-profit corporation  
(Is the not-for-profit corporation also a 501(c)(3))?  
 Yes  No
- Other (please specify)

\* Note B.1.b below.

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

Illinois

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

- Yes
- No
- N/A

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

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

Name

Title

See Attached Exhibit- No Members

1.b. If you checked "General partnership," "Limited partnership," "Limited liability company," "Limited liability partnership" or "Joint venture" in response to Item A.1. above (Nature of Disclosing Party), list below the name and title of each general partner, managing member, manager or



any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
None	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

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

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

Yes                       No

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

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

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total

amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

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

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

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)
None			

(Add sheets if necessary)

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

## SECTION V -- CERTIFICATIONS

### A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

Yes       No       No person owns 10% or more of the Disclosing Party.

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

Yes       No

## B. FURTHER CERTIFICATIONS

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

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause B.1.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

2. The certifications in subparts 2, 3 and 4 concern:

- the Disclosing Party;
- any "Applicable Party" (meaning any party participating in the performance of the Matter, including but not limited to any 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 Applicable Parties, the term Affiliated Entity means a person or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under common control of another person or entity;

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

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

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

3. Neither the Disclosing Party, Affiliated Entity or Applicable Party, 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.

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

5. The Disclosing Party understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2-156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).

6. 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:

None

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

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

For purposes of this Part C, under Municipal Code Section 2-32-455(b), the term "financial institution" means a bank, savings and loan association, thrift, credit union, mortgage banker, mortgage broker, trust company, savings bank, investment bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, venture capital company, bank holding company, financial services holding company, or any licensee under the Consumer Installment Loan Act, the Sales Finance Agency Act, or the Residential Mortgage Licensing Act. However, "financial institution" specifically shall not include any entity whose predominant business is the providing of tax deferred, defined contribution, pension plans to public employees in accordance with Sections 403(b) and 457 of the Internal Revenue Code. (Additional definitions may be found in Municipal Code Section 2-32-455(b).)

**1. CERTIFICATION**

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

is  is not

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

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

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

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

2-32 of the Municipal Code, explain here (attach additional pages if necessary):

None

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

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

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

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

Yes

No

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

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

Does the Matter involve a City Property Sale?

Yes

No

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

Name	Business Address	Nature of Interest
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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**

The Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies from the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves) and has disclosed in this EDS any and all such records to the City. In addition, the Disclosing Party must disclose the names of any and all slaves or slaveholders described in those records. Failure to comply with these disclosure requirements may make the Matter to which this EDS pertains voidable by the City.

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 requisite information as set forth in that paragraph 2.

1. The Disclosing Party verifies that (a) the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies, and (b) the Disclosing Party has found no records of investments or profits from slavery, the slave industry, or slaveholder insurance policies and no records of names of any slaves or slaveholders.

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

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

**NOTE:** If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII.

**A. CERTIFICATION REGARDING LOBBYING**

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

None

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

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

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

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any person or entity for influencing or attempting 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 Matter, the Disclosing Party must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sflllin.pdf>, linked on the page [http://www.whitehouse.gov/omb/grants/grants\\_forms.html](http://www.whitehouse.gov/omb/grants/grants_forms.html).

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

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

## **B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY**

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



Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

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

Yes

No

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

Yes

No

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

Yes

No

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

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

The Disclosing Party understands and agrees that:

A. By completing and filing this EDS, the Disclosing Party acknowledges and agrees, on behalf of itself and the persons or entities named in this EDS, that the City may investigate the creditworthiness of some or all of the persons or entities named in this EDS.

B. 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.

C. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

D. 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, void or voidable), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

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

F. 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.

The Disclosing Party represents and warrants that:

G. The Disclosing Party has not withheld or reserved any disclosures as to economic interests in the Disclosing Party, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.

For purposes of the certifications in H.1. and H.2. below, the term "affiliate" means any 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 the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

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

H.2 If the Disclosing Party is the Applicant, the Disclosing Party and its affiliates will not use, nor permit their subcontractors to use, any facility on the U.S. EPA's List of Violating Facilities in connection with the Matter for the duration of time that such facility remains on the list.

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

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

**CERTIFICATION**

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

Community Reinvestment Fund, Inc

Date: March 13, 2006

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

By:

*Nicholas J Shapiro*  
(sign here)

Nicholas J Shapiro

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

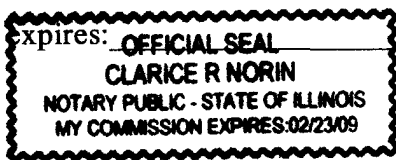
President

\_\_\_\_\_  
(Print or type title of person signing)

Signed and sworn to before me on (date) 3/13/06, by CLARICE R. NORIN,  
at COOK County, ILLINOIS (state).

Clarice R. Norin Notary Public.

Commission expires: \_\_\_\_\_.



**EXHIBIT A**

**COMMUNITY REINVESTMENT FUND, INC.  
OFFICERS AND DIRECTORS**

<b>Officers</b>	<b>Title</b>
Steven C. Arbuthnot	Chairman of the Board
Nicholas J. Shapiro	President
Peter C. Quigley	General Counsel and Assistant Secretary
Tami L. Wielgus	Treasurer
Jeffrey Kuta	Secretary

**Directors**

Steven C. Arbuthnot  
Robin Coffey  
George Dinges  
Nicholas J. Shapiro