

## Contract Summary Sheet

**Contract (PO) Number:** 6533

**Specification Number:** 27526

**Name of Contractor:** CENTRAL STATION DEV CORP

**City Department:** PLANNING & DEVELOPMENT

**Title of Contract:** REDEVELOPMENT AGREEMENT

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

\$11,494,400 00

**PO Start Date:** 11-1-91

**PO End Date:** 11-28-13

**Brief Description of Work:** REDEVELOPMENT AGREEMENT

**Procurement Services Contact Person:** THOMAS DZIEDZIC

**Vendor Number:** 1043829

**Submission Date:**

AUG - 5 2004

ORIGINAL  
TRDA

CENTRAL STATION REDEVELOPMENT AGREEMENT

DATED AS OF NOVEMBER 1, 1991

BY AND AMONG

THE CITY OF CHICAGO

AND

CENTRAL STATION DEVELOPMENT CORPORATION

AND

CHICAGO TITLE AND TRUST COMPANY  
AS TRUSTEE UNDER TRUST AGREEMENTS  
NUMBERED 1093252 AND 1080000

AND

CENTRAL STATION LIMITED PARTNERSHIP

AND

1304 S. INDIANA AVENUE LIMITED PARTNERSHIP

AND

FOREST CITY CENTRAL STATION, INC.

**CENTRAL STATION REDEVELOPMENT AGREEMENT**

**TABLE OF CONTENTS**

**RECITALS**

**I. INCORPORATION OF RECITALS AND EXHIBITS**

**II. DEVELOPER REPRESENTATIONS AND  
WARRANTIES**

- 2.01 Organization and Authority
- 2.02 Litigation
- 2.03 Authorization
- 2.04 Use of Proceeds
- 2.05 Governmental Approvals
- 2.06 Financial Statements
- 2.07 Development Guidelines and Plan of Development

**III. DEVELOPER COVENANTS**

- 3.01 Developer's Covenant to Redevelop
- 3.02 Time for Commencement and Completion of Improvements
- 3.03 Compliance With Laws
- 3.04 Accuracy of Representations
- 3.05 Plans and Specifications
- 3.06 Limited Applicability of the Commissioner's Approval
- 3.07 Insurance
- 3.08 Damage and Destruction
- 3.09 Condemnation and Eminent Domain
- 3.10 Financial Reports
- 3.11 Survival of Covenants
- 3.12 No Third Party Beneficiaries
- 3.13 Time is of Essence
- 3.14 Liens
- 3.15 Payment of Taxes and Assessments
- 3.16 Books and Records
- 3.17 Indemnification
- 3.18 Access to Property
- 3.19 Conflict of Interest
- 3.20 Project Restrictions
- 3.21 Affordable Housing

¶

**IV. PROJECT DEVELOPMENT**

- 4.01 Development Standards
- 4.02 Payment and Performance Bond
- 4.03 Barricades
- 4.04 Subsequent Phases
- 4.05 City Fees
- 4.06 Revenue Projections

**V. PROJECT CONSTRUCTION**

- 5.01 Project Budget and Balancing
- 5.02 Construction Contract
- 5.03 Progress Reports
- 5.04 Utility Connections
- 5.05 Permit Fees
- 5.06 Certificate of Completion

**VI. PHASE 1 T.I.F. IMPROVEMENTS**

- 6.01 Developer Authorization
- 6.02 Bid Requirements
- 6.03 Costs of Phase 1 T.I.F. Improvements
- 6.04 Conditions Precedent for Disbursement of Series 1991A T.I.F. Bond Funds
- 6.05 Issuance of Series 1991A T.I.F. Bonds
- 6.06 Depository of Project Funds
- 6.07 Disbursement of Project Funds
- 6.08 Amounts of Payment for Phase 1 T.I.F. Improvements
- 6.09 Amendments/Modifications to Phase 1 T.I.F. Improvements
- 6.10 Failure of Developer to Complete Phase 1 T.I.F. Improvements
- 6.11 Title Insurance
- 6.12 Developer Reimbursement for Additional T.I.F. Improvements

**VII. PERFORMANCE OF DEVELOPER OBLIGATIONS**

- 7.01 Permitted Delay
- 7.02 No Waiver by Delay
- 7.03 Arbitration

**VIII. REAL ESTATE TAXES/TAX INCREMENT FINANCING**

- 8.01 Acknowledgement of Taxes
- 8.02 Exemptions
- 8.03 No Reduction
- 8.04 No Objections
- 8.05 No Class 6A, 6B or 8 Incentives
- 8.06 Understanding of the Parties

**IX. EQUAL EMPLOYMENT OPPORTUNITY**

**X. TRANSFERS AND ENCUMBRANCES**

- 10.01 Prohibition Against Certain Transfers
- 10.02 Allowable Transfers and Encumbrances And Execution of Documents Affecting Title

**XI. COVENANTS RUNNING WITH THE LAND**

**XII. SPECIAL CONDITIONS**

- 12.01 Establishment of Parks and Open Space
- 12.02 Vacations, Dedications and Easements
- 12.03 Fiber Optics
- 12.04 Freight Tunnels

**XIII. MISCELLANEOUS PROVISIONS**

- 13.01 Remedies Cumulative
- 13.02 Disclaimer
- 13.03 Notices
- 13.04 Paragraph Headings
- 13.05 Counterparts
- 13.06 Recordation of Agreement
- 13.07 Successors and Assignees
- 13.08 Severability
- 13.09 Amendment
- 13.10 No Other Agreements
- 13.11 Conflict
- 13.12 Trustee Exculpation

**CENTRAL STATION  
REDEVELOPMENT AGREEMENT**

This Agreement is made as of this 1st day of November, 1991 by and among the City of Chicago, Illinois, an Illinois municipal corporation (the "City") through its Department of Planning (the "DOP"), and Chicago Title and Trust Company of Chicago, not personally but as trustee (the "Trustee") under a Trust Agreement dated June 27, 1989 and known as Trust No. 1093252 whose sole beneficial owners are 1304 S. Indiana Avenue Limited Partnership, an Illinois limited partnership ("Indiana") and Forest City Central Station, Inc., an Ohio corporation ("Forest"), and Chicago Title and Trust Company of Chicago, not personally but as Trustee under a Trust Agreement dated March 1, 1990 and known as Trust No. 1080000 whose sole beneficial owner is Central Station Limited Partnership, an Illinois limited partnership ("Central Station"), and Central Station Development Corporation, an Illinois corporation ("CSDC"); collectively CSDC, Indiana, and Forest and Central Station shall be referred to as the "Developer".

**RECITALS**

A. As a home rule unit of government under Section 6(a), Article VII of the Constitution of the State of Illinois, the City has the authority to promote the health, safety and welfare of the City and its inhabitants, to prevent the spread of blight, to encourage private development in order to enhance the local tax base, to create employment and to enter into contractual agreements with third parties for the purpose of achieving the aforesaid purposes.

B. The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, Sections 11-74.4.4-1 et seq., of Ch. 24, Ill. Rev. Stat., as amended (the "Act"), to finance redevelopment in accordance with the conditions and requirements set forth in the Act.

C. To stimulate and induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on November 28, 1990: (1) "An Ordinance of the City of Chicago, Illinois, approving a Tax Increment Redevelopment Plan for Central Station Area Redevelopment Tax Increment Financing Project Redevelopment Project Area," (2) "An Ordinance of the City of Chicago, Illinois, designating the Central Station Area as a Redevelopment Project Area," and (3) "An Ordinance of the City of Chicago, Illinois, adopting Tax Increment Allocation Financing for the Central Station Redevelopment Project Area." Said ordinances are collectively referred to as the "Ordinances." The Central Station Area

Redevelopment Project Area (the "Redevelopment Area") is legally described in Exhibit A attached hereto and incorporated herein.

D. To address the blight on Chicago's lakefront, the Chicago Plan Commission adopted the Central Station Development Guidelines on March 1, 1990 and any amendments thereto (the "Development Guidelines") attached hereto as Exhibit B and incorporated herein.

E. To regulate the development in the Redevelopment Area the City Council adopted the Residential-Business Planned Development No. 499 (the "PD") and any amendments thereto attached hereto as Exhibit C and incorporated herein and thereafter the Chicago Plan Commission adopted Master Plan I and any amendments thereto ("Master Plan I") attached hereto as Exhibit D.

F. Collectively, Indiana, Forest and Central Station own and the Developer intends to redevelop certain property legally described on Exhibit E attached hereto and made a part hereof (the "Property"), consisting of approximately 72 acres, a portion of which consists of air rights, for commercial, retail, exhibition, office, hotel, residential, institutional and public use. The Property is located within the Redevelopment Area. The Property, together with all improvements contemplated thereon is sometimes referred to herein as the "Project" which is more particularly described in Exhibit F attached hereto and incorporated herein. The Project will be developed in phases as more particularly determined throughout this Agreement. The portion of the Project contemplated herein and more specifically described in Exhibit G attached hereto is referred to as "Phase 1." Phase 1 shall be composed of certain Developer improvements as more particularly described in Exhibit H attached hereto and incorporated herein (the "Developer Improvements") and certain public improvements constructed on behalf of the City by the Developer as described in Exhibit I hereto and incorporated herein (the "Phase 1 T.I.F. Improvements"). Collectively, the Developer Improvements and the Phase 1 T.I.F. Improvements shall be referred to as the "Phase 1 Improvements".

G. The Project will be constructed in accordance with the Tax Increment Financing Redevelopment Project and Plan for Central Station Area Redevelopment (the "Redevelopment Plan") which is attached hereto as Exhibit J and incorporated herein.

H. For the purpose of paying a portion of the redevelopment project costs of the Phase 1 T.I.F. Improvements, the City Council, on July 24, 1991 adopted "An Ordinance of the City of Chicago, Illinois, providing for the issuance of not to exceed \$4,500,000.00 Tax Increment Allocation Bonds, Central Station Project Series 1991A which ordinance was supplemented on September 11, 1991 and October 23, 1991 (collectively, the "Bond

Ordinance"). The proceeds from the sale of the bonds issued pursuant to the Bond Ordinance (the "Series 1991A T.I.F. Bonds") will be used to finance part of the costs relating to the Phase 1 T.I.F. Improvements, including the construction of public improvements related to Phase 1 and certain other costs and expenses related to the issuance of the Series 1991A T.I.F. Bonds. The Developer shall pay for the costs of completing the remaining Phase 1 T.I.F. Improvements (the "Additional T.I.F. Improvements") and shall be reimbursed for such costs from the proceeds of Additional Bonds (as defined in the Bond Ordinance), if any, or excess real estate tax increment, if any, generated by the Redevelopment Area in accordance with the Bond Ordinance. The City may issue additional series of bonds to fund the construction of public improvements related to other phases of the Project.

I. The development of the Project including the Phase 1 T.I.F. Improvements would not reasonably be anticipated without the financing contemplated by this Agreement.

J. In connection with the development of the Project as provided herein, the Developer will act as the City's agent and oversee construction of the Phase 1 T.I.F. Improvements. The Phase 1 T.I.F. Improvements are necessary to construct the infrastructure required for the redevelopment of the Redevelopment Area, the Property and the Project and shall be funded in part from the proceeds of the Series 1991A T.I.F. Bonds. In addition, to the extent permitted by law, the Developer shall be entitled to apply for and the City shall consent to the benefits of a deduction from the Illinois Retailer's Occupation Tax for gross receipts from retail sales of building materials, for those portions of the Phase 1 T.I.F. Improvements funded by Series 1991A T.I.F. Bonds.

K. In the event that the Developer advances funds for the construction of Additional T.I.F. Improvements, then such funds shall be reimbursed to the Developer from the proceeds of any Additional Bonds (as defined in the Bond Ordinance) or excess real estate tax increment generated from the Redevelopment Area, contingent upon the receipt of an opinion from a nationally recognized bond counsel, satisfactory in form and substance to the City, regarding the effect of such reimbursement on the tax exempt status of the Series 1991A T.I.F. Bonds.

L. The City and the Developer agree that all of the provisions contained in this Agreement concerning the development and construction of Phase 1 shall apply and be utilized in the development and construction of all phases of the Project, it being the intent of the parties hereto to the extent applicable that this Agreement shall control the process of development and construction of the Project. ¶



For and in consideration of the mutual covenants described above and the agreements contained below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**Section I  
Incorporation of Recitals and Exhibits**

The recitations set forth in the foregoing recitals and the exhibits attached hereto are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth herein, and this Agreement shall be construed in accordance therewith.

**Section II  
Developer Representations and Warranties**

The Developer represents and warrants to the City as follows:

2.01 Organization and Authority. The Developer is a corporation or partnership, as applicable, duly organized, validly existing and in good standing under the laws of the State of Illinois or the State of Ohio, has all requisite corporate or partnership power and authority to control, develop and operate the Property and the Project and perform its obligations hereunder.

2.02 Litigation. There are no proceedings pending or to the best of its knowledge threatened against or affecting the Developer, the Property or the Project in any court or before any governmental authority which involves the possibility of materially or adversely affecting the business or condition (financial or otherwise) of the Developer, the Property or the Project or the ability of the Developer to perform its obligations under this Agreement.

2.03 Authorization. The execution, delivery and performance of this Agreement and the consummation by the Developer of the transactions provided for herein and the compliance with the provisions of this Agreement and the bond purchase agreement for the Series 1991A T.I.F. Bonds:

(a) have been duly authorized by all necessary corporate or partnership action on the part of the Developer and the Trustee; and

(b) require no other consents, approvals or authorizations on the part of the Developer or the Trustee in connection with the Developer's and the Trustee's execution, delivery and performance of this Agreement; and

(c) shall not, by lapse of time, giving of notice or otherwise, result in any breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, agreement or other instrument to which the Developer, the Property or the Project is subject including but not limited to the Developer's Articles of Incorporation, its by-laws, the partnership agreements and the trust agreements of Indiana and Central Station which would materially adversely affect the Developer's ability to perform its obligations under this Agreement.

2.04 Use of the Proceeds. The proceeds of the Series 1991A T.I.F. Bonds will be used solely to pay for construction of the Phase 1 T.I.F. Improvements and for such other uses specified in the Bond Ordinance. The Developer shall not apply such proceeds, nor the investment earnings therefrom, for any other purpose.

2.05 Governmental Approvals. The Developer has or will obtain all federal, state and local governmental permits, licenses, approvals and reviews, including, without limitation, all appropriate environmental clearances necessary or required by law to conduct its business and own, lease, operate and construct the Project.

2.06 Financial Statements. Forest has heretofore furnished to the City and certifies to the City that the following audited financial statements have been prepared in conformity with generally accepted accounting principles:

(a) Annual Reports of Forest City Enterprises, Inc. for the periods ending January 31, 1990 and January 31, 1991.

(b) Forest further certifies that (i) Forest City Central Station, Inc. is a fifty (50%) percent owner of Central Station Limited Partnership; (ii) Forest City Central Station, Inc. is one hundred (100%) percent owned by Forest City Rental Properties Corporation, and (iii) Forest City Rental Properties Corporation is one hundred (100%) percent owned by Forest City Enterprises, Inc.

Each Developer with respect to itself alone represents that it is solvent, able to pay its debts as such debts become due and has capital sufficient to carry on its business and the transactions contemplated under this Agreement.

2.07 Development Guidelines and Plan of Development. All of the information contained in the descriptions of the Project and Phase 1 Improvements which the Developer has delivered to the City is true, correct and complete in all material respects; the Developer shall, in advance of each subsequent phase, and in compliance with the phasing and scheduling requirements of Master Plan I, the PD and the Development Guidelines deliver to the City

a more detailed description of the Project with respect to each such phase, which description shall be subject to acceptance and approval by the Commissioner of DOP or his or her designee (the "Commissioner"); the information to be contained in such subsequent Project description shall be true, correct and complete in all material respects; the Developer shall give thirty (30) days prior written notice to the Commissioner of any proposed changes in the Project or the Phase 1 Improvements and in any subsequent phases which materially affect the character of the Project and such changes shall be subject to the City's consent; and the development of the Project for all phases shall comply in all material respects with (i) the Development Guidelines, (ii) the PD, and (iii) the Master Plan I.

### Section III Developer Covenants

The Developer covenants and agrees with the City as follows:

3.01 Developer's Covenant to Redevelop. Promptly after the date hereof, the Developer shall commence redevelopment of Phase 1 in accordance with this Agreement, the PD, the Redevelopment Plan and Master Plan I. Ten (10) days prior to the issuance of the Series 1991A T.I.F. Bonds, the Developer shall deliver to the Commissioner the approved Phase 1 Infrastructure Site Plan and approved Plans and Specifications (all as hereinafter defined in Sections 3.02 and 3.05) for the Phase 1 T.I.F. Improvements. Five (5) days prior to the issuance of the Series 1991A T.I.F. Bonds, the Developer shall deliver to the Commissioner the approved construction permit and the approved maintenance agreement (all hereinafter defined in Section 3.05) for the Phase 1 T.I.F. Improvements. Within one hundred and eighty (180) days after the issuance of the Series 1991A T.I.F. Bonds, the Developer shall deliver to the Commissioner an approved site plan and approved Plans and Specifications for "Parcel C" (as that term is defined in Master Plan I).

3.02 Time for Commencement and Completion of Improvements. The Developer shall commence construction of the Phase 1 T.I.F. Improvements within sixty (60) days, weather and other construction conditions permitting, after the date of the issuance of the Series 1991A T.I.F. Bonds, in accordance with the Redevelopment Plan, the Phase 1 T.I.F. Improvements Infrastructure Site Plan, as approved in accordance with the PD and Master Plan I, attached hereto as Exhibit L (the "Phase 1 Infrastructure Site Plan") and the "Plans and Specifications" (as hereinafter defined in Section 3.05) prepared by the Developer and approved by the applicable City departments as provided in Section III. The Developer shall complete construction of the Phase 1 T.I.F. Improvements and the remaining Phase 1 Improvements in conformity with Master Plan I, recognizing that the City, in selecting the Developer, relied in material part

upon the projected completion of the Project. The Developer shall complete subsequent phases of the Project (the "subsequent phases") according to the schedules described in subsequent master plans, the PD, the Development Guidelines and in conformity with the Redevelopment Plan. The Developer agrees that items 4 through 7 of the Phase 1 T.I.F. Improvements shown on Exhibit M shall be completed within two (2) years from the issuance of the Series 1991A T.I.F. Bonds, that the remaining Phase 1 T.I.F. Improvements shall be completed in accordance with the schedule contained in Master Plan I, that the Developer Improvements in "Parcel C" (as that term is defined in Master Plan I) shall be completed within five years from the date of the issuance of the Series 1991A T.I.F. Bonds and the remaining Developer Improvements shall be completed not later than December 1999 . In the event the Developer fails to complete the Phase 1 T.I.F. Improvements and/or substantially complete the Developer Improvements or any subsequent phase in accordance with this Agreement, the City may, but shall not be obligated to, complete the Project or select an alternate Developer to complete the Project. Furthermore, the Developer shall request that the Cook County Assessor reassess the Property not later than thirty (30) days after the date upon which thirty percent (30%) of the residential units in "Parcel C" (as that term is defined in Master Plan I) are substantially complete, and the Developer shall make additional requests for reassessment of the Property not later than 30 days after the date upon which the following events occur: (i) substantial completion of sixty percent (60%) of the residential units in Parcel C; (ii) substantial completion of one hundred percent (100%) of the residential units in Parcel C; (iii) substantial completion of 50% and 100% respectively of all development in "Parcels B and A" (as those terms are defined in Master Plan I).

3.03 Compliance with Laws. The Phase 1 Improvements shall be constructed in accordance with the requirements of this Agreement and shall be in conformance with applicable laws, ordinances, regulations, the Development Guidelines, the PD and the Master Plan I in all material respects.

3.04 Accuracy of Representations. All of the information contained in the Redevelopment Plan regarding the Redevelopment Project Area, the Project, the Property and the Developer is true, correct and complete. All of the information contained in that certain Limited Offering Memorandum prepared in connection with the Series 1991A T.I.F. Bonds (the "Limited Offering Memorandum") set forth in the sections titled "The Central Station Redevelopment Project" and "The Redevelopment Agreement" is true, correct and complete in all material respects.

3.05 Plans and Specifications. Prior to commencing construction of any portion of Phase 1, the Developer shall

deliver to the Commissioner for review and approval complete construction documents containing working drawings and specifications including final engineering drawings approved by the applicable City departments for such improvements and construction drawings approved by DOP in accordance with the PD and Master Plan I (the "Plans and Specifications"), site plans approved by DOP in accordance with the PD and Master Plan I, construction permit(s) approved by the City's Department of Public Works, substantially in the form attached hereto as Exhibit o and maintenance agreement(s) approved by the City's Department of Public Works substantially in the form attached hereto as Exhibit N. The Plans and Specifications and site plans prepared by the Developer shall conform to the PD, Master Plan I, the Redevelopment Plan as amended from time to time, and all applicable state and local laws, ordinances and regulations. Any amendments or change to any of the Plans and Specifications, site plans, or Master Plan I must be submitted as soon as practicable by the Developer to the Commissioner for approval for the purposes of this Agreement. Any amendment or change to Master Plan I, the site plans, or the construction drawings are subject to the amendment process and schedule set forth in the PD and Master Plan I and such amendments or changes will only be reviewed for approval by the Commissioner for the purpose of this Agreement prior to initiating the amendment process required by the PD and Master Plan I with respect to Master Plan I, the site plans and the construction drawings. For the purpose of this Agreement, the time within which the Commissioner may approve or reject the Plans and Specifications and site plans or approved changes in the Plans and Specifications and site plans shall be fourteen business (14) days after the date of the Commissioner's receipt of the Plans and Specifications and site plans. Failure by the Commissioner to reject such Plans and Specifications or site plans or any approved changes therein within said fourteen (14) day period shall be deemed a disapproval of said Plans and Specifications, site plans or approved changes therein for the purposes of this Agreement.

**3.06 Limited Applicability of the Commissioner's Approval.** Any approvals granted by the Commissioner with respect to the Plans and Specifications or site plans for the Project are for purposes of this Agreement only and do not affect or constitute approvals required for building permits or approvals required pursuant to any other ordinance of the City or any other competent jurisdiction; nor does any approval by the Commissioner pursuant to this Agreement constitute approval of the quality, structural soundness or the safety of the Project or any other improvements.

**3.07 Insurance.** Commencing upon the date of issuance of the Series 1991A T.I.F. Bonds, the Developer shall cause the Property to be insured in such amounts and against such risks and hazards as are set forth in Exhibit P. Throughout the term of

the Series 1991A T.I.F. Bonds, the Developer shall keep the Property continuously insured in such amount and against such risks as the City may from time to time reasonably require, and the Developer shall pay all premiums in respect thereto as the same become due. Copies or certificates of the insurance policies required by this Section shall be delivered to the City at least fifteen (15) days prior to the issuance of the Series 1991A T.I.F. Bonds, and copies or certificates of any new or renewal policies shall be delivered to the City not less than thirty (30) days prior to the applicable expiration date. Policies of insurance provided for in this Section shall be maintained with companies licensed to do business in the State of Illinois.

3.08 Damage and Destruction. If, prior to the payment in full of the Series 1991A T.I.F. Bonds, the Project is destroyed (in whole or in part) or is damaged by fire or other casualty, the Developer shall give written notice of any such damage or destruction to the City.

3.09 Condemnation and Eminent Domain. Any and all awards made by any governmental or other lawful authority for the taking, through the exercise of condemnation or eminent domain, of all or any part of the Property, whether temporarily or permanently, shall be divided and utilized in the following manner. The Developer shall be entitled to recover from such award its basis in the Property taken together with the Developer's cost of the Developer Improvements upon the Property and any and all resulting damage to the remainder of the Property, if any. After deducting these items from the award, the City shall deposit the net proceeds in the Principal and Interest Account (as defined in the Bond Ordinance) to be applied as provided for in the Bond Ordinance.

3.10 Financial Reports. Until payment in full of the Series 1991A T.I.F. Bonds, the Developer shall deliver to the City, within one hundred twenty (120) days after the end of each fiscal year of the Developer, a balance sheet certified by the Developer and reports prepared by the Developer certifying operating income and receipts, operating expenses and net annual cash flow resulting from the operation of the Project and any additional Project financial information required by the Bond Ordinance. Each of the foregoing reports shall contain a statement made by the Developer that the report(s) have been prepared in conformity with generally accepted accounting principles and certifying as to their accuracy and completeness.

3.11 Survival of Covenants. Any covenant, term, warranty, representation or other provision of this Agreement which, in order to be effective, must survive the term of the Series 1991A T.I.F. Bonds or earlier termination of this Agreement, shall survive such term or termination.

**3.12 No Third Party Beneficiaries.** This Agreement shall be only for the benefit of the City and the Developer, and no other person or party may claim any benefit of the provisions hereof.

**3.13 Time is of Essence.** Time is of the essence of this Agreement.

**3.14 Liens.** The Property and the Project (including, without limitation, all furniture, fixtures and equipment) shall be and remain free and clear of all liens and encumbrances of every nature and description, except for such other exceptions as the City may approve in writing (the "Permitted Encumbrances"). Notwithstanding the foregoing, the Developer may contest in good faith the validity of any mechanic's or materialman's lien, provided the Developer shall notify the City in writing and either cause Near North National Title Corporation (the "Title Company") to insure over such mechanic's or materialmen's liens for the benefit of the City or post a bond in an amount not less than one hundred ten percent (110%) of the amount of the claim, and, provided further, in either such case that the Developer shall diligently prosecute the claim and cause the removal of such lien.

**3.15 Payment of Taxes and Assessments.** The Developer shall pay all taxes, assessments, water charges, sewer charges and the like on the Project and the Property when the same are due and before any penalty attaches and shall provide to DOP or any other City monitoring department or agency designated by DOP, within forty (40) days of payment paid receipts or other acceptable evidence of payment thereof. Notwithstanding the foregoing, the Developer may, in conformity with Section 8.04 of this Agreement, in good faith and with reasonable diligence, contest the validity or amount of any such taxes, assessments or charges, provided that during any such contest the enforcement of the lien of such assessments or charges is stayed. However, real estate taxes must be paid in full when due and may only be contested after such payment is made and in accordance with the terms of this Agreement.

**3.16 Books and Records.** The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the amount and disposition of the total cost of the activities paid for with the Series 1991A T.I.F. Bond proceeds, the development and operation of the Project and the Phase 1 Improvements. All such books, records and other documents including, but not limited to, the Developer's loan statements, general contractors's sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices which relate to the Project and the Phase 1 T.I.F. Improvements shall be available at the Developer's offices during normal business hours for inspection and examination by any authorized representative of

the City upon reasonable advance written notice. The Developer shall incorporate this right to inspect and examine all books and records into all contracts entered into by Developer with respect to the Project. Subject to and in accordance with applicable law, the City shall not disseminate such information with respect to the Project to third parties, to the extent that such information is proprietary to the Developer.

3.17 Indemnification. The Developer hereby agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including without limitation, attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (i) the failure of the Developer to comply with any of the terms, covenants or conditions of this Agreement or (ii) the failure of the Developer or any contractor to pay contractors, subcontractors, or materialmen in connection with the Project or the Phase 1 T.I.F. Improvements or (iii) material misrepresentations or omissions of the Developer relating to the Project, the Redevelopment Plan and this Agreement which are the result of information supplied or omitted by the Developer or by its agents, employees, contractors, or persons acting under the control or at the request of the Developer, or (iv) the failure of the Developer to cure any misrepresentations or omissions of the Developer in this Agreement relating to the Project, or (v) any claim or cause of action for injury or damage to persons or property brought by third parties arising out of the construction or operation of the Project by the Developer, or (vi) any violation of any applicable statute, rule or regulation for the protection of the environment which occurs upon the property to be dedicated to the City or in connection with the imposition of any governmental lien for the recovery of environmental clean-up costs expended by reason of such violation; provided, however, that this indemnity shall not apply to any act or omission arising from the City's own negligence; provided further, however that to the extent that the City is strictly liable in respect to the property to be dedicated to the City under any such environmental statute, the Developer's obligation to the City under this indemnity shall likewise be without regard to fault on the part of the Developer with respect to the violation of law which results in liability to the City. The Developer further agrees that the indemnity in the foregoing subsection relating to environmental matters and the representations and warranties implicit therein shall continue and remain in full force and effect beyond the term of this Agreement and shall be terminated only when there is no further City obligation of any kind, whether in law or equity or otherwise, in connection with environmental clean-up costs, environmental liens or environmental matters involving the property to be dedicated to the City.



**3.18 Access to Property.** The City and its authorized agents or representatives shall, at all reasonable times, have access to the Property and the Project for the purpose of inspecting same.

**3.19 Conflict of Interest.** To the best of the Developer's knowledge after due inquiry, no member, official or employee of the City, is in any manner interested, either directly or indirectly, in his or her own name or in the name of any other person, association, trust or corporation, in any contract or the performance of any work relating to the Project in the making or letting of which such individual has been called upon to act, vote or participate in any decision relating to this Agreement. To the best of the Developer's knowledge, after due inquiry no such individual represents, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for any contract or work relating to the Project in regard to which such individual has been called upon to act, vote or participate in any decision relating to this Agreement, nor has any such officer taken or received, or offered to take or receive, either directly or indirectly, any money or other thing of value as a gift or bribe or means of influencing his or her vote or action in his official capacity. 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 or successor or on any obligation under the terms of this Agreement.

**3.20 Project Restrictions.** The Developer agrees for itself, its successors and assigns, and every successor in interest to the Property, or any part thereof, that the Developer shall:

(a) develop the Property in accordance with the uses set forth herein and in the Development Guidelines, PD, the Master Plan I and any additional development plans accepted and approved by the Commissioner; and

(b) devote the Property solely to the uses specified herein and in the Development Guidelines, PD, the Master Plan I and any additional development plans accepted and approved by the Commissioner; and

(c) not discriminate upon the basis of race, color, religion, sex, national origin, ancestry, age, mental or physical disability, sexual orientation, marital status, parental status, military discharge status or source of income, as defined in the City Human Rights ordinance adopted December 21, 1988, in the sale, lease or rental, or in the use or occupancy of the Property or any improvements located or to be erected thereon, or any part thereof.

**3.21 Affordable Housing** The Developer agrees to make provision for affordable housing within the residential rental units constructed in high-rise structures on the Property such that at the time of the completion of the Project a minimum of twenty percent (20%) of such residential rental units up to a maximum of 400 affordable housing units shall be available as affordable housing for "low and moderate income" individuals as that term is defined at 14 Illinois Administrative Code Sec. 1200.100 et seq. at the time of the execution of this Agreement. All (100%) of the required affordable housing units may be provided to individuals who are both "low or moderate income" and "elderly" as defined at 14 Illinois Administrative Code Sec. 1200.100 et seq. Further, no affordable housing units shall be required to be constructed in Parcels A, B or C in the Master Plan I area of the Property, and the Developer shall not be required to provide any of the affordable housing units in the absence of state, federal or locally assisted financing programs.

#### SECTION IV Project Development

**4.01 Development Standards.** In consideration of, among other things, the City's approval of the Developer's plat of subdivision for the Property, the Developer shall develop the Project and Property in accordance with the requirements of this Agreement and in conformance with all applicable federal, state and local laws, ordinances, rules, regulations, the Development Guidelines, the Master Plan I and the PD.

**4.02 Payment and Performance Bonds.** The Developer shall require in the construction contract for each phase of the Project that the general contractor be bonded for its performance and payment by sureties having a AA rating or better, using American Institute of Architects forms (No. A311) or its equivalent, with the City being shown as obligee or as additional obligee for the Phase 1A T.I.F. Improvements portion of the Project. The bonds for Phase I of the Phase 1 T.I.F. Improvements shall be in an amount equal to the lesser of (i) the sum of the lines 13 and 17 entries in Exhibit M for "Phase 1-A Non T.I.F." and "Phase 1-A T.I.F." or (ii) the corresponding sum as it is calculated from the corresponding line item entries on the Project Budget as described in Section 5.01. The bonds for Phase 1-B (as shown on Exhibit M) of the Phase 1 T.I.F. Improvements shall be provided in an amount determined in a manner similar to that used in this Section 4.02 in relation to bonds for Phase 1-A of the Phase 1 T.I.F. Improvements prior to the start of construction of any Phase I-B improvements. The general contractor may require bonds from subcontractors. The payment and performance bonds for the Phase 1A T.I.F. Improvements shall be delivered to the City five (5) days prior

to the issuance of the Series 1991A T.I.F. Bonds.

4.03 Barricades. Prior to commencing any construction requiring barricades, the Developer shall, as required by applicable City ordinances, install a construction barricade of a type, kind and appearance approved by the Commissioner and required by all applicable City ordinance and federal or state laws and regulations. Until the barricades erected pursuant to this Section are removed, the Commissioner shall retain the right to approve: (i) the maintenance and appearance thereof; (ii) the color scheme and painting thereof; and (iii) the nature, type, content and design of all signs thereon.

4.04 Subsequent Phases. In accordance with this Agreement and the Redevelopment Plan, the City may issue bonds not to exceed \$40,000,000.00 in the aggregate, corresponding to the total phases of the Project. Bond sizing for subsequent phases shall be solely in the City's discretion and shall be related to the increase in equalized assessed value of the Property as a result of the Project. Bond proceeds for subsequent phases shall not be used to pay for costs of public improvements previously paid from bond proceeds. The construction of subsequent phases of the Project shall proceed in accordance with the guidelines outlined in this Agreement, including but not limited to, construction, schedules, timeframes for delivery of documents and the Commissioner's right to approve subsequent phase plans. Prior to the commencement of construction for each subsequent phase, the Developer shall, in addition to those deliveries set forth in Sections 3.01, 3.02 and 3.05, deliver to the Commissioner, a report which complies with the provisions of the PD, the Development Guidelines, and Section 8 B, (xiii) of Master Plan I as they relate to the siting of both public and private elementary schools, public library facilities, public police facilities and public fire facilities.

4.05 City Fees. Upon the issuance of the Series 1991A T.I.F. Bonds, the City shall allocate a sum not to exceed one hundred and fifty thousand dollars (\$150,000.00) from the proceeds of the portion of the Series 1991A T.I.F. Bonds for the payment of costs incurred by the City in the administration and monitoring of the construction of the Phase 1 T.I.F. Improvements.

4.06 Revenue Projections. The projections of real estate tax revenues estimated to be received from the Property for the years and amounts set forth in Exhibit K attached hereto and incorporated herein are accurate and complete in all respects.

## SECTION V Project Construction

5.01 Project Budget and Balancing. Five (5) days prior to

the issuance of the Series 1991A T.I.F. Bonds, the Developer shall deliver to the City a detailed analysis, in form and content satisfactory to the City, (i) setting forth all construction and non-construction costs (as defined in Exhibit M) of Phase 1 T.I.F. Improvements to be incurred, and (ii) disclosing that the Phase 1 construction loan and Developer's equity will be sufficient to pay all Phase 1 T.I.F. Improvements or to be incurred to complete Phase 1 of the Project (collectively, the "Project Budget"). The Developer shall promptly deliver to the City any and all revisions to the Project Budget and promptly deliver to the City any subsequent cost analyses pertaining to the Project. The Developer shall be entitled to modify and reallocate the Phase 1 T.I.F. Improvements costs described in the Project Budget during the course of construction and in accordance with Section 6.03. Prior to commencement of any subsequent phases, the Developer will deliver to the City Project Budgets for subsequent phases.

#### 5.02 Construction Contract.

(a) The Developer shall enter into a construction contract ("Phase 1 Construction Contract") with a general contractor ("Phase 1 General Contractor") or shall itself perform as the construction manager for construction of the Phase 1 T.I.F. Improvements. The Phase 1 Construction Contract and all other contracts and subcontracts for services and materials relating to the construction of Phase 1 shall expressly waive any right to a mechanic's or materialman's lien against any of the Property. Not less than five (5) days prior to the issuance of the Series 1991A T.I.F. Bond, the Developer shall deliver a certified copy of the Phase 1 Construction Contract to the City and any construction management contract and, if applicable, certify to the City that the Developer is performing as construction manager for construction of Phase 1 of the Project, and certify to the City the amount of compensation that the construction manager will receive for the services.

(b) The Developer shall not authorize or permit the performance of any remodeling, reconstruction, demolition or construction constituting a part of the Project or furnishing of materials to the Project in connection therewith pursuant to any "Change Order" as hereinafter defined without giving ten (10) business days' prior written notice to the City, except for Change Orders whose cost does not exceed fifty thousand dollars (\$50,000) up to an aggregate amount of three hundred fifty thousand dollars (\$350,000), without obtaining the prior written approval of the Commissioner in each and every instance, which shall be given or denied within ten (10) business days after receipt by the Commissioner of the request for the Change Order and documentation substantiating the need therefor. The Developer shall obtain a covenant from the Phase 1 General Contractor to this effect. The City shall be permitted to extend

the Change Order approval period for an additional five (5) business days at its sole discretion. Failure by the City to approve or deny any Change Order request pursuant to this Section within the total fifteen (15) business day period shall be deemed approval of such Change Order, provided, however, that any approval (or deemed approval) shall only be for purposes of budget revision and shall have no effect upon nor shall it waive the Developer's obligations to comply with all City codes, ordinances and regulations. "Change Order" shall mean any amendment or modification to the Plans and Specifications for Phase 1 or the Phase 1 Construction Contract or any subsequent phases of the Project or subsequent construction contracts relating to such subsequent phases having an effect on such budget line item. The City's approval of any Change Order shall not be deemed to imply any increase in funding or other assistance to the Developer; however, it shall not affect the extent or collection of costs for the Additional T.I.F. Improvements.

**5.03 Progress Reports.** The Developer shall provide the Commissioner with monthly progress reports detailing the status of construction of the Project including progress and slippage and other information required by the City or the City's representative for construction inspection purposes.

**5.04 Utility Connections.** The City hereby agrees that the Developer shall have the right to connect all on-site water lines and sanitary and storm sewer lines constructed on the Property to the City utility lines existing on the Property or near the perimeter of the Property, provided that the Developer complies with all City requirements for such connections.

**5.05 Permit Fees.** The City agrees that the Developer shall be obligated to pay, in connection with the development of the Project, only those normal and customary building, permit, engineering, tap on, and inspection fees that are assessed on a uniform basis throughout the City and are of general applicability to other similar Property and development within the City.

**5.06 Certificate of Completion.** After completion of the construction of Phase 1 or any part thereof in accordance with this Agreement, the Commissioner, at the Developer's request, shall promptly furnish the Developer with an appropriate instrument so certifying (the "Certificate of Completion"). The Certificate of Completion by the Commissioner shall be conclusive evidence of the satisfaction and termination of the covenants in this Agreement with respect to the obligation of Developer and its successors and assigns to construct or cause to be constructed, Phase 1, or that portion thereof for which a Certificate of Completion has been issued. The Certification of Completion shall be in recordable form and shall constitute the

City's acceptance of the Phase 1 T.I.F. Improvements, or any part thereof. The Commissioner shall respond to Developer's request within ninety (90) days after the Commissioner's receipt thereof, either with a Certification of Completion or a written statement, indicating, in adequate detail, that the Developer has failed to complete the construction of Phase 1 in conformity with the Redevelopment Plan or this Agreement, or is otherwise in default, and what measures or act will be necessary, in the opinion of the Commissioner, for Developer to take or perform in order to obtain the Certificate of Completion. If the Commissioner requires additional measures or acts of the Developer to assure compliance, the Developer shall resubmit a written request for a Certificate of Completion upon compliance with the Commissioner's response. If the Commissioner fails to respond to the Developer's request within such ninety (90) day period, then such items covered with the request shall be deemed approved. Notwithstanding the above, for the portions of the Project constituting private improvements within Parcels A, B. and C (as defined in Master Plan I), the time period for delivering the certificate of completion shall be thirty (30) days after the Commissioner's receipt of the Developer's request.

SECTION VI  
Phase 1 T.I.F. Improvements

6.01 The Developer Authorized to Construct Certain T.I.F. Improvements. In order to further the development of the Redevelopment Area, the City hereby authorizes the Developer to cause the Phase 1 T.I.F. Improvements to be carried out in accordance with this Agreement and the Plans and Specifications approved by the City pursuant to Section 3.05 at an aggregate cost not to exceed the costs set forth in Exhibit M.

6.02 Bid Requirements. Prior to entering into an agreement with a contractor other than a general contractor for construction of the Phase 1 T.I.F. Improvements, the Developer shall solicit bids from qualified contractors eligible to do business in the City. The Developer shall solicit bids in accordance with the requirements of the Municipal Purchasing Act for Cities of 500,000 or More Population, Ill. Rev. Stat. Ch. 24, par. 8-10-1 et seq., a copy of which is attached hereto as Exhibit Q and the City Guidelines hereto as Exhibit R. The City shall have the right to inspect said bids submitted and exercise final approval over the bid process in order to determine the same has been completed in conformity with the Municipal Purchasing Act and the City Guidelines. The Developer shall select the contractor submitting the lowest responsible bid who can complete the Phase 1 T.I.F. Improvements in a timely manner. The Developer shall enter into a contract with said contractor in accordance with this Agreement to build said Phase 1 T.I.F.

Improvements. The contract shall conform to the guidelines prescribed by the Purchasing Agent of the City for City purchasing contracts and provide for payment in accordance with this Agreement and the Bond Ordinance. Nothing herein contained shall be construed to permit construction to commence before the Plans and Specifications for the work are completed and approved by applicable City departments as provided in this Agreement.

6.03 Costs of Phase 1 T.I.F. Improvements. If the costs of the Phase 1 T.I.F. Improvements undertaken by the Developer as described in Exhibit M are in excess of the amounts specifically allocated for such improvements as set forth on Line 23 in Exhibit M, the Developer shall be fully responsible for and shall hold the City harmless from all costs and expenses of completing the Phase 1 T.I.F. Improvements in excess of the aggregate amount of the costs of the Phase 1 T.I.F. Improvements as shown on Line 23 in Exhibit M providing that such excess costs are not the result of a change in the scope of the work caused by the City. The Developer shall be reimbursed from Additional Bonds (as defined in the Bond Ordinance) or excess real estate tax increment for such excess or requested costs incurred for reimbursable items or excess costs from changes in the scope of the work caused by the City. If any portion of the Phase 1 T.I.F. Improvements is completed at a cost savings then, after the Certificate of Completion has been provided, the savings shall be applied first to reimburse the Developer for any Additional T.I.F. Improvements, then to construct additional T.I.F. Improvements scheduled for subsequent phases or to redeem the Series 1991A T.I.F. Bonds. The Developer shall be entitled to modify and reallocate the costs of the Phase 1 T.I.F. Improvements as described in Exhibit M in accordance with this Agreement during the course of construction and promptly notify the Commissioner in writing of such modifications.

6.04 Conditions Precedent for Disbursement of Series 1991A T.I.F. Bond Funds. The Developer understands that proceeds of the Series 1991A T.I.F. Bonds shall not be available for disbursement unless there is compliance with certain preconditions set forth in the Bond Ordinance, the Limited Offering Memorandum, and this Agreement. The Developer agrees to comply and satisfy the preconditions to disbursement of proceeds of the Series 1991A T.I.F. Bonds. In addition, the Developer shall furnish the City with (i) a title insurance policy in the most recently revised ALTA form subject only to Permitted Exceptions and containing such endorsements as the City may require including comprehensive no. 1, zoning, contiguity, location and survey; (ii) and five (5) current plat of surveys ("Surveys") acceptable in form and content to the City and the Title Company, certified to the City and Title Company and certifying whether or not the Property is in a flood hazard area.

6.05 Issuance of Series 1991A T.I.F. Bonds. The parties

agree that tax increment allocation financing implemented in accordance with the terms and provisions of the Act shall be the primary source of funding construction of the Phase 1 T.I.F. Improvements from the Series 1991A T.I.F. Bond proceeds. The City agrees to issue the Series 1991A T.I.F. Bonds in accordance with this Agreement and the Bond Ordinance in an amount not to exceed \$4,500,000.00. The City agrees to apply the proceeds realized upon the sales of Series 1991A T.I.F. Bonds to the extent available to the costs and in the manner set forth in the Bond Ordinance and this Agreement. In no event shall the Series 1991A T.I.F. Bonds be or become general obligations of the City nor shall the costs of the Phase 1 T.I.F. Improvements be paid from any funds other than the Series 1991A T.I.F. Bond proceeds, Additional Bonds (as defined in the Bond Ordinance), excess real estate tax increments or the Developer's own funds.

**6.06 Depository of Project Funds.** The Series 1991A T.I.F. Bond proceeds shall be deposited with a trustee (as defined in the Bond Ordinance but herein referred to as the "Depository") chosen by the City.

**6.07 Disbursement of Project Funds.** The City and the Developer shall enter into a construction escrow agreement (the "Escrow") in form and substance customarily used by the City for projects similar in nature to the Phase 1 T.I.F. Improvements and reasonably acceptable to the Commissioner and CSDC with a title insurance company reasonably acceptable to the City (the "Escrowee"). The Escrow shall allow the Developer to present the Escrowee with invoices and accompanying documentation approved for payment by the Commissioner after inspection and approval of work completed for which payment is being submitted. Not less than twenty business (20) days prior to any date upon which the Developer desires payment or reimbursement hereunder, the Developer shall notify the City that the City or the City's representative may visit Phase 1. Not less than twenty business (20) days prior to any date upon which the Developer desires payment or reimbursement hereunder to be deposited by the City or the Depository, as the case may be, into the Escrow, the Developer shall submit a written request therefore to the Commissioner setting forth the amount for which payment or reimbursement is sought, and the Developer's estimate of the percentage of completion of each Phase 1 T.I.F. Improvements with respect to which payment or reimbursement is sought. Each request for payment or reimbursement shall be accompanied by CSDC's sworn statement recommending payment, the Phase 1 General Contractor's sworn statement, and such bills, contracts, invoices, contractor's sworn statements, lien waivers and other evidence as the Commissioner and the Escrowee shall reasonably require to evidence the Developer's right to payment or reimbursement hereunder, and the Developer's records relating to all costs paid by the Developer, and such other information as is necessary for Commissioner to evaluate the Developer's compliance



with the terms hereof. The Commissioner shall have twenty business (20) days after receipt of any request for payment or reimbursement to approve or disapprove any such request and inspect and approve the work completed. Upon approval of the request the City shall be obligated to promptly disburse the funds needed for such payment or reimbursement or send a disbursement authorization to the Depository authorizing payment to the Escrowee, as the case may be, however, payment for work completed shall not constitute the City's acceptance of such work. In the event the Commissioner finds an error in the request or disputes the work performed in respect thereto or finds that the request is not in accordance with this Agreement, the Commissioner shall specify such error or dispute in detail in writing within such twenty business (20) days after receipt of any request for payment or reimbursement, and the request or the work shall be corrected prior to approval of the request affected. Failure of the Commissioner to respond to the Developer's request for payment within such twenty (20) business day period shall constitute approval of the request. Notwithstanding the above, no funds shall be disbursed from the Escrow until the Escrowee is prepared to issue its title insurance policy and any endorsements thereto to the City and Developer insuring that there are no liens affecting the Redevelopment Area and that all documents received have been reviewed and are sufficient to waive all rights of lien or that the Escrowee is prepared to issue its title indemnity concerning such liens.

6.08 Amounts of Payment for Phase 1 T.I.F. Improvements.

The Developer shall be paid no more than the applicable amount set forth in Exhibit M for the Phase 1 T.I.F. Improvements subject to reallocation of budget line items described in Section 5.01. Payments to the Developer shall be made based upon the percentage of each item of work satisfactorily completed as determined in the sole judgement of the Commissioner, provided that there shall be withheld from each any such payment an amount equal to 10% of such payment until such time as 50% of the Phase 1 T.I.F. Improvements are completed, and 5% of each such payment thereafter; provided however, that the Commissioner shall not withhold any amount from a payment which is for Phase 1 T.I.F. Improvements which are for acquisition of real property. The retained amount shall be held by the Depository and shall be paid upon the issuance of a Certificate of Completion for all or that part of the Phase 1 T.I.F. Improvements in accordance with this Agreement. No funds in excess of the amounts budgeted for each of the Phase 1 T.I.F. Improvements described in Exhibit M shall be disbursed unless the Developer satisfies the Commissioner that there are sufficient funds available with which to complete the remaining Phase 1 T.I.F. Improvements, or the Developer, with the Commissioner's written consent as provided in Section 6.09, has reduced the scope of the Phase 1 T.I.F. Improvements so that the remaining funds are adequate to pay for

the cost of completing the Phase 1 T.I.F. Improvements. Each request for payment or reimbursement for Phase 1 T.I.F. Improvements, submitted by the Developer to the Commissioner shall have incorporated therein a warranty by the Developer that the construction has been completed in compliance with all applicable laws, ordinances and regulations in all material respects. Notwithstanding the foregoing, the Commissioner may withhold his or her approval of any request for payment or reimbursement if, and so long as the Developer is in material default in connection with any provision of this Agreement, the Redevelopment Plan, the PD, the Development Guidelines or Master Plan I.

**6.09 Amendments/Modification to Phase 1 T.I.F. Improvements.** Except as provided for in Section 5.01 and Section 6.03 hereof, the Developer may, with the prior written approval of the Commissioner, change individual budget line item costs which are included in Exhibit M and change the scope of the Phase 1 T.I.F. Improvements by eliminating or adding certain public improvements provided that there is full compliance with the Redevelopment Plan, the PD, the Development Guidelines and Master Plan I. In no event shall the City be obligated to consent to such reduction or change in scope, it being the express intent of the parties that the Developer's obligations to construct the Phase 1 T.I.F. Improvements set forth in Exhibit M and under Section 6.03 hereof are material to this Agreement.

**6.10 Failure of Developer to Complete Phase 1 T.I.F. Improvements.** If the Developer fails to complete the Phase 1 T.I.F. Improvements in accordance with the terms hereof, after notice, then the City shall have the right (but not obligation) to complete or cause to be completed said improvements and to pay for the costs of the Phase 1 T.I.F. Improvements (including interest costs) out of the Series 1991A T.I.F. Bond proceeds, Additional Bonds, or excess real estate tax increment as appropriate.

**6.11 Title Insurance.** At the Developer's expense, the Developer shall provide the City with a lender's title insurance policy naming the City as insured up to an amount not to exceed the amount of the payment and performance Bond as described in Section 4.02 covering the portion of the Redevelopment Area to be owned by the City or upon which Phase 1 T.I.F. Improvements or portion thereof are to be constructed. Said title insurance policy shall be later dated and appropriately endorsed at the time of each request for payment or reimbursement.

**6.12 Developer Reimbursement for Additional T.I.F. Improvements.** Each year, for so long as the Series 1991A T.I.F. Bonds are outstanding, the City shall credit the required amounts from the moneys on deposit in the Incremental Taxes Fund (as defined in the Bond Ordinance) to the separate accounts within the Incremental Taxes Fund, as set forth in the Bond Ordinance.

Moneys remaining in the General Account shall be transferred in the following order of priority by the City Treasurer first, if necessary, to remedy any deficiencies in any prior accounts in the Incremental Taxes Fund; second, shall be used to pay the costs of Additional T.I.F. Improvements; and third shall be used as provided in the Bond Ordinance. To the extent that such moneys remaining in the General Account are to be used to pay for or reimburse the Developer for costs of Additional T.I.F. Improvements, (i) the costs to be paid from the General Account for the Additional T.I.F. Improvements shall not exceed \$40,000,000.00; and (ii) disbursements from the General Account to pay for or reimburse the Developer for costs of the Additional T.I.F. Improvements shall be pursuant to the Escrow entered into pursuant to Section 6.07 of this Agreement; and (iii) any disbursement from the Escrowee to pay for or reimburse the Developer for amounts expended for Additional T.I.F. Improvements shall include interest not to exceed the cost of borrowing of the Developer and, in any event not to exceed two (2) points above that rate of interest charged by the First National Bank of Chicago to its most creditworthy customers for ninety (90) day unsecured loans up to a maximum rate of eleven and one-half (11.5%) percent or such other rate as the Commissioner may approve in writing. Notwithstanding the above, the City may issue Additional Bonds (as defined in the Bond Ordinance) to reimburse the Developer for Additional T.I.F. Improvements so long as the Developer complies with (i), (ii) and (iii) above. It is the understanding of the parties that the interest rate of 11.5% used in Exhibit M, line 21 was used only for purposes of providing an estimate and that actual interest rate calculations will conform to this Section 6.12.

## SECTION VII Performance of Developer Obligations

7.01 Permitted Delay. For the purposes of any of the provisions of this Agreement, neither the City nor the Developer, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage or materials, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or quality for an abnormal duration, tornadoes or cyclones and other like event or condition beyond the reasonable control of the party affected which, in fact, interferes with the ability of such party to discharge its respective obligations hereunder; nor shall either the City or the Developer be considered in breach of, or in default of its obligations under this Agreement, in the event of any delay resulting from the conduct of any judicial, administrative or legislative proceeding or caused by litigation

or proceedings challenging the authority or right of the City or the Developer to act or perform under the Redevelopment Plan, the Ordinances, the Bond Ordinance or this Agreement. The City or the Developer if it is the party whose right or authority to act is being challenged shall diligently contest any such proceedings and any appeals therefrom. The City or the Developer may settle a contested proceeding at any point, so long as the settlement results in either party's ability to perform pursuant to this Agreement and so long as any such settlement does not impose additional obligations on the other party or increase the other party's obligations under this Agreement, provided, however, that the party seeking the benefit of the provisions of this Section 7.01 shall, within ten (10) days after the beginning of any such enforced delay, have first notified the other party thereof in writing, and of the cause or causes thereof, and requested an extension for the period of the enforced delay.

7.02 No Waiver by Delay. Any delay by the City in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not operate as a waiver to such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the City and the Developer should still attempt otherwise to resolve the problems created by the default involved). No waiver in fact made by the City with respect to any specific default by the Developer should be considered or treated as a waiver of the rights of the City with respect to any other defaults by Developer or with respect to the particular default except to the extent specifically waived in writing.

7.03 Arbitration. If there is a dispute between any of the parties to this Agreement (an "Arbitrable Dispute") and the parties to the dispute cannot reach an agreement within thirty (30) days after notice of the existence of such Arbitrable Dispute is given by one party to the other, then any party may, upon notice to the others, submit the dispute for arbitration to an arbitrator at the Chicago Illinois Office of the American Arbitration Association in accordance with its then Commercial or Construction Arbitration Rules. The arbitrator shall be selected in accordance with arbitration rules. The arbitrator shall base its decision and award on the terms and conditions of this Agreement and the law applicable thereto, and such award may include money damages, specific performance and injunctive relief. The parties shall have the right to investigation of facts surrounding the dispute (i.e., pre-trial discovery) as are then permitted by laws and judicial rules of the courts of the State of Illinois or federal district courts of the United States, subject to such reasonable time-frame as determined by the arbitrator. The fees and costs of any arbitration (filing fees, arbitrator's fees and expenses, court reporters and transcript fees, reasonable witness fees and attorney's fees) shall be borne by the losing party or as may otherwise be

allocated by the arbitrator. Any award shall state the arbitrator's reasons for rendering the award. Any monetary damages shall bear pre-award and post-award interest rates determined by the arbitrator to be appropriate and enforceable. A copy of the decision of the arbitrator shall be signed by the arbitrator and given to each party in the manner provided in Section 13.03 of this Agreement. The award of the arbitrator shall be binding and conclusive and may be entered as a final judgment by any competent court and enforced thereby. Notwithstanding anything contained herein to the contrary, if there is an Arbitrable Dispute the City may suspend disbursement of the Series 1991A T.I.F. Bond proceeds subject to the decision of the arbitrator. Moreover, City compliance with an arbitrator decision and/or award shall be contingent upon receipt of an opinion from a nationally recognized bond counsel regarding the effect of the arbitrator award or decision on the taxability of the Series 1991A T.I.F. Bonds. In the event that the arbitrator's award or decision negatively impacts the tax exempt status of the Series 1991A T.I.F. Bonds the opinion of bond counsel shall prevail.

**SECTION VIII**  
**Real Estate Taxes/Tax Increment Financing**

8.01 Acknowledgment of Taxes. The Developer agrees: (i) that for the purpose of this Agreement, the estimates of the total minimum assessed value of the respective portions of the Property ("Minimum Assessed Value of the Property") and the estimates of the total minimum assessed value of the Redevelopment Project Area ("Minimum Assessed Value of the Redevelopment Project Area") are shown on Exhibit S attached hereto and incorporated by reference herein for the years noted on Exhibit S; and (ii) that the real estate taxes anticipated to be generated and derived from the Redevelopment Project Area and pledged as incremental tax revenues described in the Bond Ordinance, as supplemented and amended, are estimated as shown in Exhibit K attached hereto.

8.02 Exemptions. With reference to the Property and the Project or any part thereof, neither the Developer nor any agent, representative, lessees, tenant, assigned or transferee of, or successor in interest to, the Developer shall for any year that the Redevelopment Plan is in effect, as may be amended from time to time, apply for, seek, or authorize any exemption (as such term is used and defined in Illinois Constitution, Article IX, Section 6(1970), except for homestead exemptions, to the extent available, on residential property, and for exemptions described in Section 19.1 through 19.23-1 of Chapter 120, Ill. Rev. Stat., as amended. Notwithstanding anything herein to the contrary, the Developer, its successor or assigns shall be prohibited from conveying, leasing or transferring the Property or any portion

thereof to any other entity if the conveyance, lease or transfer causes a decrease in the aggregate Minimum Assessed Value for the Redevelopment Project Area.

**8.03 No Reduction.** Neither the Developer nor any agent, representative, lessee, tenant, assignee or transferee of, or successor in interest to the Developer shall for any year that the Redevelopment Plan is in effect, directly or indirectly, initiate, apply for, or seek to lower the assessed values below \$3,754,636, the amount of the Minimum Assessed Value of the Property except that the Developer shall be entitled to apply for class 7 property tax incentives on a case-by-case basis for all portions of the Property other than the Property subject to Master Plan I. Notwithstanding the foregoing, neither the Developer nor any agent, representative, lessee, tenant, assignee or transferee of, or successor in interest to the Developer shall for any year that the Redevelopment Plan is in effect, directly or indirectly initiate, apply for, or seek to lower the Minimum Assessed Value of the Property below an amount which would result in the Minimum Assessed Value of the Redevelopment Project Area falling below \$4,890,266.

**8.04 No Objections.** Neither the Developer nor any agent, representative, lessee, tenant, assignee or transferee of, or successor in interest to the Developer shall, for any year that the Redevelopment Plan is in effect, as may be amended from time to time, object to or in any way to seek to prevent, on procedural or any other grounds, the filing of any underassessment complaint with, and full participation in all related proceeding before, the Cook County Assessor or the Cook County Board of Appeals, by either the City, or by any taxpayer.

**8.05 No Class 6A, 6B or 8 Incentives.** Neither the City nor the Developer shall consent to or support any application for any class 6A or 6B or 8 or other property tax incentives or rebates in connection with the Property and/or Project in the Redevelopment Area.

**8.06 Understanding of the Parties.** The foregoing covenants in this Section VIII shall be construed and interpreted as an express agreement by the Developer with the City that the material consideration inducing the City to enter into the arrangements and transactions described in this Agreement is to increase the assessed valuation of and the general real estate taxes payable with respect to the Property and Project. This Agreement and the exhibits attached hereto may be used by the City in the City's discretion, as admissions against the Developer's interest in any proceeding.

**SECTION IX**  
**Equal Employment Opportunity**

The Developer, for itself and its successors, assigns, contractors, subcontractor, tenants and lessee, agrees that so long as any Series 1991A T.I.F. Bonds remain outstanding or the Redevelopment Plan is in effect:

(a) The Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, age, mental or physical disability, sexual orientation, marital status, parental status, military discharge status, or source of income, as defined in the City Human Rights Ordinance adopted December 21, 1988. The Developer will take affirmative action to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, sex, national origin or ancestry, age, mental or physical disability, sexual orientation, marital status, parental status, military discharge status or source of income. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting for the provisions of this nondiscrimination clause.

(b) To the greatest extent feasible, the Developer is required to present opportunities for training and employment that are to be given to lower income residents of the Project Area, hereby defined as the City of Chicago, and that the contracts for work in connection with the Project be awarded to business concerns which are located in, or owned in substantial part, by persons residing in the Redevelopment Area.

(c) The Developer will, in all solicitation or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, or ancestry, age, mental or physical disability, sexual orientation, marital status, parental status, military discharge status, or source of income.

(d) The Developer agrees to comply with federal and State of Illinois Equal Employment and Affirmative Action statutes, rules and regulations, including but not limited to the Illinois and City of Chicago, Human Rights Acts, as in effect from time to time, and regulations promulgated pursuant thereto.

(e) The Developer agrees to be bound by and comply with the terms of the Affirmative Action Plan and Neighborhood

Partnership Program attached hereto as Exhibit T.

The Developer will include the foregoing provisions of this Section in every contract, and will require the inclusion of these provisions in every subcontract entered into by any of its contractors, so that such provision will be binding upon each such contractor and every lease or sublease or subcontractor, tenant or sub-tenant as the case may be. Failure to comply with these provisions will be a basis to institute remedies under the provisions of Section 7.03 of this Agreement including specifically suspending disbursement of the Series 1991 A T.I.F. Bonds. For purposes of this Section IX, the term Developer shall be deemed to include the Developer's successors, assigns, contractors, subcontractors, tenants and lessees.

#### SECTION X Transfers and Encumbrances

10.01 Prohibition Against Certain Transfers. Prior to the issuance of a Certificate of Completion for Phase 1 the Developer shall not make, create or suffer to be made any sale, transfer, assignment, or conveyance with respect to this Agreement or the Property, or any part thereof or any interest therein, including but without limitation, any transfer or assignment of the beneficial interest in the trusts or any part thereof, or contract or agree to do any of the same, unless any such sale, transfer of property, or assignment is pursuant to Section 10.02. After the issuance of the Certificate of Completion as set forth in Section 5.06 of this Agreement and subsequent sale, transfer, deed, assignment or conveyance, the Developer shall be released from any and all of its obligations hereunder relating to that portion of the Property being conveyed to the extent that any such transferee assumes such obligations which apply to that portion of the Property being conveyed. This paragraph shall not prohibit the sale or other transfer of any limited partnership interest in the Developer, which interests may be sold, assigned, issued or otherwise be transferred at any time without the consent of the Commissioner.

10.02 Allowable Transfers And Encumbrances And Execution of Documents Affecting Title. The Developer shall have the right to sell, transfer, assign or convey the Property or any portion thereof to a purchaser, lessee or tenant of a completed residential unit or upon the prior written consent of the City, shall be entitled to transfer any portion of the Property to any transferee who in the City's sole determination, demonstrates the financial capability and previous development experience necessary to satisfy the development obligations contained in this Agreement.



Prior to any sale, assignment or transfer of a part or all of any of the Property, Developer shall give written notice to the City of the proposed transferee and such information as the City may request in order to determine whether the proposed transferee meets the above criteria. Additionally, the proposed transferee must evidence by affidavit or certification that it agrees to be bound by the Development Guidelines, PD, Master Plan I, the Redevelopment Plan, this Agreement and all federal, state and local laws, regulations, rules or ordinances then in effect including, but not limited to, any requirements imposed by the City pursuant to any ordinance, resolution or executive order, on entities doing business with the City.

The Developer shall have the right to encumber the Property with a mortgage from Hokkaido Takushoku Bank Ltd. in an amount not to exceed twenty five million dollars (\$25,000,000) (the "Hokkaido Mortgage") and the City hereby consents to such mortgage or any participation or assignment resulting therefrom and any extension, renewal or refinance thereof. In the event of a default by the Developer under the Hokkaido Mortgage and the Hokkaido Takushoku Bank Ltd.'s acquisition of the Property pursuant to foreclosure or deed in lieu thereof, Hokkaido Takushoku Bank Ltd. shall be entitled to transfer or convey the Property without the consent of the City. Notwithstanding anything else to the contrary in this Agreement, Developer shall not be required to obtain the release of any liens, claims or encumbrances (including mechanic's and materialmen's liens) on the Property so long as Developer is contesting the validity of any such liens, claims, encumbrances or charges in good faith in accordance with the provisions of Section 3.14.

#### SECTION XI Covenants Running With the Land

It is intended and agreed, that all covenants provided in this Agreement including specifically Section VIII and those special conditions set forth in Section XII shall be covenants running with the land binding to the fullest extent permitted by law and equity for the benefit of and in favor of, and enforceable by the other party, and any successor in interest to the Property, or any part thereof, provided, however, that the covenants with respect to the construction of the Phase 1 T.I.F. Improvements shall be released upon the filing of the Certificate of Completion with the Recorder of Deeds of Cook County, Illinois.

#### SECTION XII Special Conditions

12.01 Establishment of Parks and Open Space. The Developer shall provide for the establishment, landscaping and other improvements and dedication of parks and the establishment, landscaping and other improvements, and dedication or private

maintenance of open space in accordance with the PD, the Development Guidelines, Master Plan I and future master plans. The parks and open space shall be completed by the Developer in accordance with the schedule set forth in the PD, the Development Guidelines, the Master Plan I and future master plans.

12.02 Vacations, Dedications and Easements. The Developer shall provide the Commissioner with a comprehensive schedule of proposed vacations, dedications and easements ("VDE") prior to the issuance of the Series 1991A T.I.F. Bonds. Such schedule shall legally describe the VDE contemplated for Phase 1 and shall generally describe, on a phase by phase basis, all VDE with respect to the Property. Subsequent detailed schedules shall be delivered to the Commissioner prior to the issuance of additional bonds. Subject to the Commissioner's recommendation, DOP shall cause an ordinance to be introduced to the City Council approving all or any portion of the VDE in accordance with the compensation policy regarding VDE then in effect. In no event however, shall the City be obligated to accept any public improvement with respect to proposed dedications unless and until such public improvement complies with all City requirements.

12.03 Fiber Optics. The Developer agrees not to locate a fiber optics easement or any fiber optics facilities within any dedication of property, air-rights or otherwise, being granted to the City of Chicago, in Phase 1 and the City of Chicago agrees to accept the dedication of public right-of-way, including air-rights, above any portion of the fiber optics easement described in Exhibit U.

12.04 Freight Tunnels. The Developer acknowledges the City's ownership of the freight tunnels depicted in Exhibit V attached hereto and incorporated herein and the Developer further agrees, not to challenge or contest the City's ownership of said freight tunnels. The Developer agrees not to damage or alter those freight tunnels specifically identified in Exhibit V and further agrees to indemnify the City for any and all damage resulting from any action, directly or indirectly, on the part of the Developer.

#### SECTION XIII Miscellaneous Provisions

13.01 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 of the other remedies of such party unless specifically so provided herein.

13.02 Disclaimer. Except as expressly provided herein, nothing contained in this Agreement nor any act of the City or

Developer, shall be deemed or construed by any of the parties, or by third persons, to create any relationship of third-party beneficiary, or of principal or agent, or of limited or general partnership, or of joint venture, or of any association or relationship involving the City or the Developer.

13.03 Notices. Unless otherwise specified, any notices, certificates, approvals, consents or other communications desired or required to be given hereunder shall be in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by Telex, telegram or telecopy; (c) overnight courier; or (d) registered or certified, first class mail, return receipt requested.

If to City: City of Chicago  
Department of Planning  
121 North LaSalle  
Room 1000, City Hall  
Chicago, IL 60602  
Attention: Commissioner

With Copies to: City of Chicago  
Corporation Counsel  
121 North La Salle St, Room 511  
Chicago, Illinois 60602  
Attention: Finance and Economic  
Development

If to Developer: Central Station Development  
Corporation  
867 North Dearborn Street  
Chicago, Illinois 60610  
Attention: Mr. Michael A. Tobin,  
President

With Copies To: John J. George, Esq.  
100 West Monroe Street  
Suite 500  
Chicago, Illinois 60603

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 by electronic means. 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 forty-eight (48) hours following deposit in the mail.

13.04 Paragraph Headings. The paragraph headings and references are for the convenience of the parties and not intended to limit, vary, define or expand the terms and provisions contained in this Agreement and shall not be used to interpret or construe the terms and provisions of this Agreement.

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

13.06 Recordation of Agreement. The parties agree to execute and deliver this Agreement in proper form for recording and/or indexing in the appropriate land or governmental records.

13.07 Successors and Assignees. The terms, covenants and conditions of this Agreement are to apply to and bind the successors and assignees of the City and the Developer.

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

13.09 Amendment. This Agreement, and any exhibits attached hereto, may be amended only by the mutual consent of the parties by the adoption of an ordinance or resolution of the City approving said amendment, as provided by law, and by the execution of said amendment by the parties or their successors in interest.

13.10 No Other Agreements. Except as otherwise provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the parties.


13.11 Conflict. If there is a direct conflict between any of the terms of this Agreement and the terms of the Bond Ordinance, the Bond Ordinance shall control and the parties agree that with respect to such term and conflict, they will each comply with the Bond Ordinance.

13.12 Trustee Exculpation. It is expressly understood and agreed by the parties hereto, anything herein to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein (and in any related certificate, note, mortgage or other instrument) referred to or made on the part of Chicago Title and Trust Company of Chicago, not personally, but as

trustee under a Trust Agreement dated June 27, 1989 and known as Trust No. 1093252 (the "Indiana Partnership Trust") or Chicago Title and Trust Company of Chicago, not personally, but as Trustee under a Trust Agreement dated March 1, 1990 and known as Trust No. 1080000 (the "Central Station Partnership Trust") are nevertheless each and every one of them made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the trustee of the Indiana Partnership Trust or the Central Station Partnership Trust in its own right, but solely in the exercise of the powers conferred upon it as such trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against the trustee of the Indiana Partnership Trust or the Central Station Partnership Trust, on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the trustee herein contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date hereinabove first mentioned.

CITY OF CHICAGO

By:   
Acting Commissioner, Department of  
Planning

CENTRAL STATION DEVELOPMENT CORPORATION,  
an Illinois corporation

By: X   
Its \_\_\_\_\_ President \_\_\_\_\_

FOREST CITY CENTRAL STATION, INC.  
an Ohio Corporation

By: \_\_\_\_\_  
Its \_\_\_\_\_ President \_\_\_\_\_

CHICAGO TITLE AND TRUST COMPANY OF  
CHICAGO, not personally, but as  
Trustee of Trust No. 1093252  
aforesaid

By: \_\_\_\_\_  
Its \_\_\_\_\_

CHICAGO TITLE AND TRUST COMPANY OF  
CHICAGO, not personally, but as  
Trustee of Trust No. 1080000 aforesaid

By: \_\_\_\_\_  
Its \_\_\_\_\_

Central Station Limited Partnership, an  
Illinois partnership

By: Fogelson Properties, Inc., an Illinois  
Corporation, a General Partner

By: X   
Its \_\_\_\_\_ President \_\_\_\_\_

By: Forest City Central Station, Inc.  
an Ohio Corporation, a General Partner

By: \_\_\_\_\_  
Its \_\_\_\_\_ President \_\_\_\_\_

1304 S. Indiana Avenue Limited Partnership,  
an Illinois Limited Partnership

By: Fogelson Properties, Inc., an Illinois  
Corporation, its General Partner

By: X   
Its \_\_\_\_\_ President \_\_\_\_\_

CENTRAL STATION DEVELOPMENT CORPORATION,  
an Illinois corporation

By: \_\_\_\_\_

Its \_\_\_\_\_ President \_\_\_\_\_

FOREST CITY CENTRAL STATION, INC.  
an Ohio Corporation

By: X  \_\_\_\_\_

Its \_\_\_\_\_ President \_\_\_\_\_

CHICAGO TITLE AND TRUST COMPANY OF  
CHICAGO, not personally, but as  
Trustee of Trust No. 1093252  
aforesaid

By: \_\_\_\_\_

Its \_\_\_\_\_

CHICAGO TITLE AND TRUST COMPANY OF  
CHICAGO, not personally, but as  
Trustee of Trust No. 1080000 aforesaid

By: \_\_\_\_\_

Its \_\_\_\_\_

Central Station Limited Partnership, an  
Illinois partnership

By: Fogelson Properties, Inc. , an Illinois  
Corporation, a General Partner

By: \_\_\_\_\_

Its \_\_\_\_\_ President \_\_\_\_\_

By: Forest City Central Station, Inc.  
an Ohio Corporation, a General Partner

By: X  \_\_\_\_\_

Its \_\_\_\_\_ President \_\_\_\_\_

1304 S. Indiana Avenue Limited Partnership,  
an Illinois Limited Partnership

By: Fogelson Properties, Inc., an Illinois  
Corporation, its General Partner

By: \_\_\_\_\_

Its \_\_\_\_\_ President \_\_\_\_\_

STATE OF Ohio )  
 ) SS  
COUNTY OF Cuyahoga )

I, Diana Parsons, a Notary Public in and for the county and state aforesaid, do hereby certify that Albert B. Ratner, President of Forest City Central Station, Inc., an Ohio corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me in person and acknowledged that (s)he signed and delivered the same instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation, individually and as a General Partner of Central Station Limited Partnership, an Illinois limited partnership, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 31st day of October, 1991.

Diana Parsons  
NOTARY PUBLIC

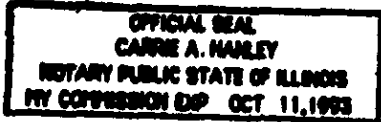
My Commission Expires:  
DIANA G. PARSONS  
Notary Public-State of Ohio, Cuya. Cty.  
~~My Commission Expires Sept. 13, 1994~~



STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, CARRIE A. HANLEY, a Notary Public in and for the county and state aforesaid, do hereby certify that VALERIE B. JARRETT, the Acting Commissioner, Department of Planning, City of Chicago, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me in person and acknowledged that (s)he signed and delivered the same instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this 1st day of November, 1991.



Carrie A. Hanley  
NOTARY PUBLIC

My Commission Expires:

10/11/93





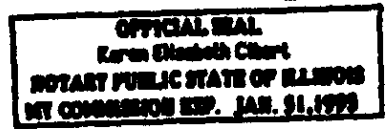
STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, Karen Elizabeth Cibert, a Notary Public in and for the county and state aforesaid, do hereby certify that MELANIE M. HINDS, the ~~ASSAULT PRESIDENT~~ of Chicago Title and Trust Company, not personally but as Trustee of Trust No. 1093252, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me in person and acknowledged that (s)he signed and delivered the same instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this 1st day of November, 1991.

Karen Elizabeth Cibert  
NOTARY PUBLIC

My Commission Expires:  
1-31-93





**CENTRAL STATION  
LIST OF EXHIBITS**

- A. Legal Description of Redevelopment Area
- B. Central Station Development Guidelines
- C. Plan of Development No. 499
- D. Master Plan I
- E. Legal Description of Developer-owned Property
- F. Project Description, general information on overall publicly and privately funded improvements.
- G. Phase 1 Description, general information on overall publicly and privately funded improvements in Phase 1.
- H. Developer Improvements - list of privately funded improvements in Phase 1 and costs
- I. Phase 1 TIF Improvements - list of publicly funded improvements in Phase 1 and costs
- J. Tax Increment Redevelopment Plan
- K. Real Estate Tax Increment Projections
- L. Phase 1 T.I.F. Improvements Infrastructure Site Plan
- M. Phase 1 T.I.F. Improvements Costs Estimates
- N. Form of Maintenance Agreement
- O. Form of Department of Public Works Construction Approval
- P. Insurance Requirements
- Q. Municipal Purchasing Act
- R. City Purchasing Guidelines
- S. Minimum Assessed Value
- T. Affirmative Action Plan
- U. Fiber Optics Easement
- V. Freight Tunnel Map

CNTRL'16.54

**LEGAL DESCRIPTION OF THE CENTRAL STATION AREA  
TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA**

The boundaries of the Central Station Area Redevelopment Project Area have been carefully drawn to include only those contiguous parcels of real property and improvements thereon substantially benefitted by the proposed redevelopment project improvements to be undertaken as part of the Central Station Area Tax Increment Financing Redevelopment Project and Plan. The boundaries are more particularly described as follows:

That part of the southwest quarter of fractional section 15, the northwest quarter of fractional section 22 and the east half of the southwest fractional quarter of said section 22, all in township 39 north, range 14 east of the third principal meridian, bounded and described as follows:

THOSE PARTS OF THE SOUTHWEST QUARTER OF FRACTIONAL SECTION 15, THE NORTHWEST QUARTER OF FRACTIONAL SECTION 22 AND THE EAST HALF OF SOUTHWEST FRACTIONAL QUARTER OF SAID SECTION 22, ALL IN TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING ON THE WEST LINE OF S. MICHIGAN AVENUE, AT THE INTERSECTION OF SAID LINE WITH THE NORTH LINE OF E. 11TH STREET, AND RUNNING

THENCE EAST ALONG THE EASTWARD EXTENSION OF SAID NORTH LINE OF E. 11TH STREET, TO THE EASTERLY RIGHT-OF-WAY LINE OF S. COLUMBUS DRIVE;

THENCE SOUTHWARDLY, ALONG SAID EASTERLY RIGHT-OF-WAY LINE TO AN INTERSECTION WITH THE EASTWARD EXTENSION OF THE AFORESAID NORTH LINE OF E. ROOSEVELT ROAD;

THENCE EAST ALONG SAID EASTWARD EXTENSION OF ROOSEVELT ROAD TO THE EASTERLY RIGHT-OF-WAY LINE OF THE SOUTH BOUND LANES OF SOUTH LAKE SHORE DRIVE;

THENCE SOUTHWESTWARDLY, SOUTHWARDLY AND SOUTHEASTWARDLY ALONG THE EASTERLY RIGHT-OF-WAY LINE OF THE SOUTH BOUND LANES TO AN INTERSECTION WITH THE EASTWARDLY EXTENSION OF A LINE WHICH IS 1500 FEET NORTHERLY FROM AND PARALLEL WITH THE NORTHERLY LINE OF THE E. 23RD STREET VIADUCT STRUCTURE;

THENCE WESTWARDLY ALONG SAID LINE WHICH IS 1500 FEET NORTHERLY FROM AND PARALLEL WITH THE NORTHERLY LINE OF SAID 23RD STREET VIADUCT, TO THE WESTERLY RIGHT-OF-WAY LINE OF THE ILLINOIS CENTRAL RAILROAD;

THENCE NORTHWARDLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE A DISTANCE OF 1625 FEET, MORE OR LESS, TO THE NORTHEAST CORNER OF LOT 1 IN E. L. SHERMAN'S SUBDIVISION OF LOTS 4, 5 AND 6 IN BLOCK 1 OF CLARKE'S ADDITION TO CHICAGO, IN THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 22, AFORESAID;

THENCE WEST ALONG THE NORTH LINE OF SAID LOT 1, AND ALONG SAID NORTH LINE EXTENDED WEST A DISTANCE OF 186 FEET, MORE OR LESS, TO THE WEST LINE OF S. PRAIRIE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF S. PRAIRIE AVENUE A DISTANCE OF 84 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF LOT 5 IN ASSESSOR'S DIVISION OF LOTS 1, 2 AND 3 IN BLOCK 1 OF CLARKE'S ADDITION TO CHICAGO; AFORESAID;

THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 5 A DISTANCE OF 177 FEET, MORE OR LESS, TO THE POINT OF INTERSECTION WITH A LINE WHICH IS THE EAST LINE OF A 20 FOOT WIDE ALLEY;

THENCE NORTH ALONG SAID EAST LINE OF THE 20 FOOT WIDE ALLEY A DISTANCE OF 92 FEET, MORE OR LESS, TO THE SOUTH LINE OF E. 16TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF E. 16TH STREET, A DISTANCE OF 263.00 FEET, MORE OR LESS, TO THE WEST LINE OF S. INDIANA AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF S. INDIANA AVENUE, A DISTANCE OF 1407.00 FEET, MORE OR LESS, TO THE SOUTH LINE OF E. 14TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF E. 14TH STREET, A DISTANCE OF 441.00 FEET, MORE OR LESS, TO THE WEST LINE OF S. MICHIGAN AVENUE, AND

THENCE NORTH ALONG SAID WEST LINE OF S. MICHIGAN AVENUE, A DISTANCE OF 1955.00 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.





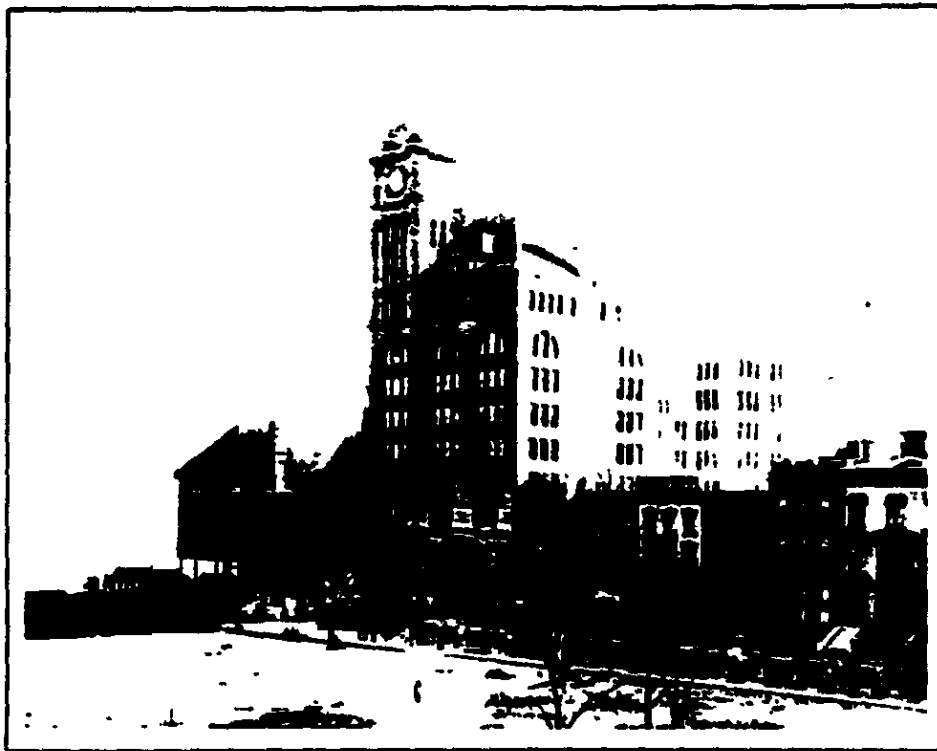
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# CENTRAL STATION

## Development Guidelines

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Adopted by the  
Chicago Plan Commission  
March 1, 1990



CITY OF CHICAGO



Richard M. Daley, Mayor

CHICAGO PLAN COMMISSION  
Reuben L. Hedlund, Chairman

DEPARTMENT OF PLANNING  
David R. Mosena, Commissioner

Cover Photo:

*The Central Station of the Illinois Central Railroad at 11th Place, Chicago, Illinois. Now demolished.  
Photo courtesy of the Chicago Historical Society.*

#### **NOTICE**

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*The adoption of these Central Station Development Guidelines does not constitute the City of Chicago's or other public agencies' commitment to finance infrastructure required for this development. These guidelines represent the first step in the overall planning for the site. The City recognizes that the plan envisioned by these guidelines requires extensive infrastructure investments. If these investments are not made, the concepts presented in these guidelines may be substantially revised.*

This instrument prepared by Kathy Corbin  
Assistant Corporation Counsel  
City of Chicago  
City Hall, Room 511  
121 North LaSalle Street  
Chicago, Illinois 60602

4071129

AMENDMENT  
#1 to RDA

**FIRST AMENDMENT TO CENTRAL STATION REDEVELOPMENT AGREEMENT  
("FIRST AMENDMENT")**

This First Amendment to the Central Station Redevelopment Agreement dated as of November 1, 1991 is made as of this 1st day of December, 1994 by and among (i) the City of Chicago, an Illinois municipal corporation (the "City") through its Department of Planning and Development (the "DPD"), (ii) Chicago Title and Trust Company, not personally but as trustee under a Trust Agreement dated June 27, 1989 and known as Trust No. 1093252 whose sole beneficial owners are 1304 S. Indiana Avenue Limited Partnership, an Illinois limited partnership ("Indiana") and Forest City Central Station, Inc., an Ohio corporation ("Forest"), (iii) Chicago Title and Trust Company, not personally but as trustee under a Trust Agreement dated March 1, 1990 and known as Trust No. 1080000 whose sole beneficial owner is Central Station Limited Partnership, an Illinois limited partnership ("Central Station"), (iv) Indiana, (v) Forest, (vi) Central Station and (vii) Central Station Development Corporation, an Illinois corporation ("CSDC"); collectively CSDC, Indiana, Forest and Central Station shall be referred to as the "Developer."

**RECITALS:**

**WHEREAS**, the City, the above-referenced Trustee and the Developer entered into a Central Station Redevelopment Agreement dated as of November 1, 1991, which is attached hereto as Exhibit 1 (the "Original Redevelopment Agreement") in connection with the development of the Central Station Area Redevelopment Project Area in the City (the "Area"). Capitalized terms used in this First Amendment shall, unless otherwise defined herein or the context clearly requires otherwise, have the meanings assigned to them in the Original Redevelopment Agreement.

**WHEREAS**, pursuant to the original Redevelopment Plan, the City is allowed to authorize not to exceed \$40,000,000 in obligations secured by the Special Tax Allocation Fund created for the Area pursuant to the Act (the "T.I.F. Bonds") for the Redevelopment Project described therein, and as contemplated in the Original Redevelopment Agreement, the City issued its \$4,400,000 Tax Increment Allocation Bonds (Central Station Project), Series 1991A (the "Series 1991A T.I.F. Bonds"), the proceeds of which were spent by the City for a portion of the Phase 1 T.I.F. Improvements.

**WHEREAS**, the Developer has represented that the portion of the Phase 1 T.I.F. Improvements heretofore completed conforms to the terms of the Original Redevelopment Agreement and the Development Guidelines, which are attached to the Original Redevelopment Agreement as Exhibit B, and has acknowledged that the City has complied with the terms of the

Original Redevelopment Agreement with respect to such completed Improvements, including the disbursement to the Developer of the proceeds of the Series 1991A T.I.F. Bonds and \$599,000 of excess real estate tax increment.

**WHEREAS**, the City has heretofore expanded the boundaries of the Area and amended the Redevelopment Plan (which amendment is attached as Exhibit A to Exhibit 1 hereof), and now desires to advance refund the Series 1991A T.I.F. Bonds and fund the balance of the Phase 1 T.I.F. Improvements, as described in Exhibit M to the Original Redevelopment Agreement, as amended hereby. Pursuant to the amended Redevelopment Plan the City is allowed to authorize not to exceed an additional \$65,650,000 in T.I.F. Bonds and to spend, in its sole discretion, the proceeds thereof on any lawful redevelopment project cost described in the amended Redevelopment Plan and the Development Guidelines, including but not limited to individual roadway improvement projects from repair and resurfacing through construction of new roads.

**WHEREAS**, the City Council on August 3, 1994 adopted "An Ordinance of the City of Chicago, Illinois, providing for the issuance of not to exceed \$35,000,000 Tax Increment Allocation Bonds (Near South Redevelopment Project), Series 1994A" (the "Series 1994A T.I.F. Bonds") for the purpose of advance refunding the Series 1991A T.I.F. Bonds and funding the balance of the Phase 1 T.I.F. Improvements as described in Exhibit M, as amended hereby (the "Series 1994A Bond Ordinance").

**WHEREAS**, to expand the boundaries of the Area, to rename the expanded Area the "Near South Redevelopment Project Area" and to further stimulate and induce redevelopment pursuant to the Act the City Council adopted the following ordinances on August 3, 1994: (1) "An Ordinance Adopting and Approving the Near South Redevelopment Area Project and Plan," (2) "An Ordinance Designating the Near South Redevelopment Project Area" and (3) "An Ordinance Adopting Tax Increment Allocation Financing for the Near South Redevelopment Project Area," copies of which are attached hereto as Exhibits 2, 3 and 4, respectively.

**WHEREAS**, the City, the Trustee and Developer desire to amend certain provisions of the Original Redevelopment Agreement that relate to the Series 1994A T.I.F. Bonds and to otherwise clarify the duties and obligations of the Developer under that Agreement.

**WHEREAS**, the Original Redevelopment Agreement provides that it "...may be amended only by the mutual consent of the parties by the adoption of an ordinance or resolution of the City approving said amendment, as provided by law, and by the execution of said amendment by the parties or their successors in interest."

**WITNESSETH:**

**NOW, THEREFORE**, for and in consideration of the above Recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

## **SECTION I**

The Recitals and Exhibits attached hereto are material to this First Amendment and are incorporated into and made a part of this First Amendment as though they were fully set forth herein, and this First Amendment shall be construed in accordance therewith.

## **SECTION II**

2.01 The Original Redevelopment Agreement is hereby amended as follows:

A. Paragraph F of the Recitals is amended to delete the fourth sentence thereof in its entirety.

B. Paragraph G of the Recitals is amended in its entirety to read as follows:

"G. The Project will be constructed in accordance with the Near South Redevelopment Area Project and Plan, as amended from time to time (the "Redevelopment Plan") which is attached hereto as Exhibit J and incorporated herein."

C. The third sentence of Paragraph H of the Recitals is amended to read as follows:

"The Developer shall be paid up to \$6,586,579.06 from the proceeds of the Series 1994A T.I.F. Bonds, if any, and up to \$47,463.94 from other available sources for eligible costs of the Phase 1 T.I.F. Improvements described in Exhibit M, provided that the Developer complete the uncompleted Phase 1 T.I.F. Improvements in accordance with this Agreement."

D. The second sentence of Paragraph J of the Recitals is amended to add the words "and the Series 1994A T.I.F. Bonds" at the end thereof.

E. Paragraph K of the Recitals is deleted in its entirety.

F. Paragraph L of the Recitals is deleted in its entirety.

G. Section 2.04 is amended:

- (i) to add the words "and the Series 1994A T.I.F. Bonds" immediately following the phrase "the Series 1991A T.I.F. Bonds" in the first sentence thereof; and
- (ii) to add the words "or the Series 1994A Bond Ordinance, as appropriate" at the end of the first sentence thereof.

H. Section 3.01 is amended to add the words "and the issuance of the Series 1994A T.I.F. Bonds" to the second, third and last sentences thereof immediately following the phrase "the Series 1991A T.I.F. Bonds," respectively.

I. Section 3.02 is amended:

(i) to amend the third sentence thereof in its entirety to read as follows.

"Any subsequent phases of the Project shall be completed in accordance with subsequent master plan, the PD, the Development Guidelines and the Redevelopment Plan"; and

(ii) to delete the words "or any subsequent phase" from the fifth sentence thereof.

J. Section 3.04 is amended to add the following sentence at the end thereof:

"All of the information contained in that certain Preliminary Official Statement and that certain Official Statement prepared in connection with the Series 1994A T.I.F. Bonds (collectively, the "Official Statement") set forth in the sections titled "THE REDEVELOPMENT PROJECT AREA" is true, correct and complete in all material respects."

K. The second sentence of Section 3.07 is deleted in its entirety.

L. Section 3.08 is amended to add the words "and Series 1994A T.I.F. Bonds" immediately following the phrase "the Series 1991A T.I.F. Bonds."

M. Section 3.09 is amended in its entirety to read as follows:

"3.09 [Reserved.]"

N. Section 3.10 is amended:

(i) to add the words "and the Series 1994A T.I.F. Bonds" immediately following the phrase "the Series 1991A T.I.F. Bonds" in the first sentence thereof; and

(ii) to add the words "and the Series 1994A Bond Ordinance" at the end of the first sentence thereof.

O. Section 3.11 is amended to add the words "or the Series 1994A T.I.F. Bonds" immediately following the phrase "the Series 1991A T.I.F. Bonds" in the first sentence thereof.

P. Section 3.15 is amended to delete the words "Section 8.04" in the second sentence thereof and to substitute therefor the words "the terms."

Q. Section 3.16 is amended to add the words "and the Series 1994A T.I.F. Bond proceeds" immediately following the phrase "the Series 1991A T.I.F. Bond proceeds" in the first sentence thereof.

R. Section 4.02 is amended:

- (i) to delete the words "Phase 1A" in the last sentence thereof and to substitute therefor the words "Phase 1"; and
- (ii) to add the words "and the Series 1994A T.I.F. Bonds" at the end that section.

S. Section 4.04 is amended in its entirety to read as follows:

"4.04 [Reserved.]"

T. Section 5.01 is amended to add the words "and the Series 1994A T.I.F. Bonds" immediately following the phrase "the Series 1991A T.I.F. Bonds" in the first sentence thereof.

U. Section 5.02(b) is amended to delete the words "; however, it shall not affect the extent or collection of costs for the Additional T.I.F. Improvements" at the end thereof.

V. Section 6.03 is amended:

- (i) to delete the second sentence thereof; and
- (ii) to amend the third sentence thereof in its entirety to read as follows

"If any portion of the Phase 1 T.I.F. Improvements is completed at a cost savings then, after the Certificate of Completion has been provided, the savings shall be deposited by the City into the Incremental Taxes Fund (as defined in the Series 1994A Bond Ordinance)."

W. Section 6.04 is amended.

- (i) to add the words "and Series 1994A T.I.F. Bond Funds" to the heading;
- (ii) to add the words "and the Series 1994A T.I.F. Bonds" immediately following the phrase "the Series 1991A T.I.F. Bonds" in the first and second sentences thereof;

- (iii) to add the words "the Official Statement, the Series 1994A Bond Ordinance" immediately following the words "Offering Memorandum" in the first sentence thereof; and
- (iv) to add the words ", as appropriate" immediately following the phrase "and this Agreement" in the first sentence thereof.

X. Section 6.05 is amended:

- (i) to add the words "and the Series 1994A T.I.F. Bonds" to the heading;
- (ii) to add the words "and the Series 1994A T.I.F. Bond proceeds" at the end of the first sentence;
- (iii) to add a new sentence immediately following the third sentence to read as follows: "The City agrees to apply up to \$6,586,579.06 of the proceeds realized upon the sale of the Series 1994A T.I.F. Bonds to the extent available and up to \$47,463.94 from other available sources to the costs and in the manner set forth in the Series 1994A Bond Ordinance and Exhibit M of this Agreement.";
- (iv) to add the words "or the Series 1994A T.I.F. Bonds" immediately following the phrase "the Series 1991A T.I.F. Bonds" in the last sentence thereof; and
- (v) to delete the words "Additional Bonds (as defined in the Bond Ordinance), excess real estate tax increments" in the last sentence thereof and to substitute therefor the words "the designated portion of the Series 1994A T.I.F. Bond proceeds."

Y. Section 6.06 is amended in its entirety to read as follows:

"6.06 Depository of Project Funds. The Series 1991A T.I.F. Bond proceeds and the Series 1994A T.I.F. Bond proceeds shall be deposited with a depository (the "Depository") chosen by the City.

Z. Section 6.07 is amended to delete the words "or reimbursement" where they appear throughout the third, fourth, fifth, sixth, seventh and eighth sentences thereof.

AA. Section 6.08 is amended to delete the words "or reimbursement" where they appear in the fifth and sixth sentences thereof.

BB. Section 6.11 is amended to delete the words "naming the City as insured" where they appear in the first sentence thereof.

CC. Section 6.12 is amended in its entirety to read as follows:

"6.12 [Reserved.]"



- DD. Section 7.03 is amended:
- (i) to add the words "and the Series 1994A T.I.F. Bond proceeds" immediately following the phrase "Series 1991A T.I.F. Bond proceeds" in the tenth sentence thereof; and
  - (ii) to add the words "and the Series 1994A T.I.F. Bonds" immediately following the phrase "Series 1991A T.I.F. Bonds" where it appears in the eleventh and twelfth sentences thereof.

EE. Section 8.02 is amended in its entirety to read as follows:

"8.02 [Reserved.]"

FF. Section 8.03 is amended in its entirety to read as follows:

"8.03 [Reserved.]"

GG. Section 8.04 is amended in its entirety to read as follows:

"8.04 [Reserved.]"

HH. Section 8.05 is amended in its entirety to read as follows:

"8.05 [Reserved.]"

II. Section 8.06 is amended in its entirety to read as follows:

"8.06 [Reserved.]"

JJ. Section IX is amended:

- (i) to add the phrase "or Series 1994A T.I.F. Bonds" immediately following the phrase "Series 1991A T.I.F. Bonds" in the first sentence thereof; and
- (ii) to add the words "or the Series 1994A T.I.F. Bonds" at the end of the second sentence of the last paragraph thereof.

KK. Section 12.02 is amended to add the following new paragraphs at the end thereof:

"In addition to the requirements set forth in the preceding paragraph, the Developer shall cause the dedication and conveyance to the City of the parcels of real property described in Exhibit 5, which is attached and incorporated in accordance with the schedule stated therein. Prior to making any offer of dedication or conveyance, the Developer shall cause all necessary or appropriate Phase 1 T.I.F. Improvements to

be completed and accepted in accordance with this Agreement, and shall provide the City with evidence of good title satisfactory to the Corporation Counsel. The dedication and conveyance shall be completed in accordance with all standard City policies and procedures for similar dedications and conveyances. The Developer shall be responsible for any and all utility and public service relocations and adjustments necessary or appropriate for the dedications and prior to the offer shall cause all necessary or appropriate Board of Underground approvals to be submitted to the Superintendent of Maps in the Department of Planning and Development."

LL. Section 12.03 is amended in its entirety to read as follows:

"12.03 Fiber Optics. The Developer warrants that the Property is burdened by the following easements and by no other easements for fiber optic facilities:

A. Fiber Optic Easement Agreement by and between Chicago Title and Trust Co., not personally, but solely as Trustee under Trust Agreement No. 1080000, and MCI Telecommunications Corporation ("MCI") and its successors and assigns, which has been recorded with the Cook County Recorder of Deeds on February 6, 1992 as Doc. No. 92078647 ("MCI Easement"); and

B. Fiber Optic Easement Agreement by and between Chicago Title and Trust Co., not personally, but solely as Trustee under Trust Agreement No. 1080000, and US Sprint Communications Limited Partnership ("Sprint") and its successors and assigns, which has been recorded with the Cook County Recorder of Deeds on February 6, 1992 as Doc. No. 92078646 ("Sprint Easement").

Prior to the issue of a Certificate of Completion in accordance with Section 5.06 of this Agreement, the City agrees that it will not withhold any approval of any request for permission to relocate the MCI Easement or the Sprint Easement submitted in accordance with the provisions of Section 10.02 of this Agreement, unless the proposed relocation shall be to a location above, below, crossing, or in any way touching the rights of way for the proposed streets as provided in the Central Station Development Guidelines, adopted by the Chicago Plan Commission on March 1, 1990 as they may from time to time be amended or revised. Upon the issue of a Certificate of Completion in accordance with Section 5.06 of this Agreement, the Developer shall not cause or permit the relocation of the MCI Easement and the Sprint Easement, and the facilities authorized therein, without the written consent of the City's Commissioner

of Transportation, subject to the approval of the Corporation Counsel, unless such relocation is to a location that is not above, below, crossing, or in any way touching the rights of way for the proposed streets as provided in the Central Station Development Guidelines. For purposes of the foregoing, the rights of way for the proposed streets shall, in the absence of a written determination of the Department of Transportation delivered to the Developer, be deemed to have a width equal to the width of the right of way which the proposed street is to extend, and the right of way shall include all fee interests to the ground and the air rights to the extent that such are owned by the Developer.

At any time either prior to or after the issue of a Certificate of Completion, the City may serve a written notice to the Developer requiring that the Developer exercise its rights to require relocation and termination in accordance with Paragraph 9 of the MCI Easement and Sprint Easement. Within ten (10) days of receiving such notice, the Developer shall serve notice to MCI or Sprint, or their respective successors and assigns, and shall promptly thereafter take all necessary actions, in order to require the relocation of any portion or all of the facilities and the release or partial release of such Easement upon the payment of reasonable costs, all in accordance with such Paragraph 9, for purposes of causing the dedication of property as required by any master plan or redevelopment agreement that is then in effect. The City shall pay the Developer reasonable costs arising or resulting therefrom, such costs to be subject to the reasonable approval of the City's Commissioner of Transportation.

In addition, the Developer agrees that it shall not cause or permit any relocation, revision, amendment, release, restatement, or other change to the MCI Easement or the Sprint Easement that would alter or have the effect of altering the Developer's rights, in its sole discretion, to require the relocation of any portion or all of the facilities and the release or partial release of such Easement at any time upon the payment of reasonable expenses, all in accordance with the provisions of such Paragraph 9.

MM Exhibit M is amended in its entirety to read as set forth in Exhibit 6, which is attached hereto.

2.02 The parties agree that all or any of the Developer covenants set forth on Exhibit 7 attached hereto shall become effective and binding upon the Developer upon receipt by the City of an opinion of nationally recognized bond counsel that the inclusion of all or any of such Developer covenants in the Original Redevelopment Agreement, as amended from time to time, will not adversely affect the exclusion from federal income taxation of interest on the Tax

Increment Allocation Bonds issued by the City in connection with the development of the Area, as amended from time to time.

2.03 Except as otherwise herein specifically amended above, the Original Redevelopment Agreement shall remain in full force and effect and is hereby ratified and confirmed. By execution hereof, the City, CSDC, Indiana, Forest and Central Station each affirms and agrees to fulfill each of its covenants and obligations under the Original Redevelopment Agreement, as amended hereby. Each Developer understands and agrees that it is required to and will comply with the provisions of Chapters 2-56 and 2-156 of the Municipal Code of Chicago

2.04 This First Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

2.05 The parties agree to execute and deliver this First Amendment in proper form for recording and/or indexing in the appropriate land or governmental records.

2.06 The terms, covenants and conditions of this First Amendment are to apply to and bind the successors and assigns of the trustees and the Developers who are parties hereto and shall inure to the benefit of the City.

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

2.08 By the execution and delivery of this First Amendment, CSDC, Indiana, Forest and Central Station each acknowledge and agree that except as set forth in Paragraph H of the Recitals and in Section 6.05 of this Redevelopment Agreement as amended hereby, the City shall have no obligation to apply the proceeds of the Series 1994A T.I.F. Bonds, any future bonds or real estate tax increment revenues derived from the Area to the payment, or the reimbursement for the payment, of the cost of any Phase 1 T.I.F. Improvements, any additional improvements or otherwise, which obligation is hereby fully and effectively released by each of CSDC, Indiana, Forest and Central Station.

**IN WITNESS WHEREOF**, the parties hereto have executed this First Agreement as of the date hereinabove first mentioned

MMMD35\RA 7

CHICAGO TITLE AND TRUST COMPANY, not personally, but as Trustee of Trust No. 1093252 aforesaid

ATTEST:

By: [Signature]  
Secretary

By: [Signature]

Its Asst VP

CHICAGO TITLE AND TRUST COMPANY, not personally, but as Trustee of Trust No. 1080000 aforesaid

ATTEST:

By: [Signature]  
Secretary

By: [Signature]

Its Asst VP

1304 S. INDIANA AVENUE LIMITED PARTNERSHIP, an Illinois Limited Partnership

By: Fogelson Properties, Inc., an Illinois Corporation, its General Partner

By: [Signature]

Its President

ATTEST:

By: Richard P. Gdowski  
Secretary

FOREST CITY CENTRAL STATION, INC., an Ohio Corporation

ATTEST:

By: \_\_\_\_\_  
Secretary

By: \_\_\_\_\_

Its President

ATTEST:

By: \_\_\_\_\_  
Secretary

CHICAGO TITLE AND TRUST COMPANY, not  
personally, but as Trustee of Trust  
No. 1093252 aforesaid

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

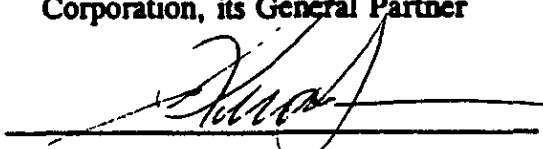
By: \_\_\_\_\_  
Secretary

CHICAGO TITLE AND TRUST COMPANY, not  
personally, but as Trustee of Trust  
No. 1080000 aforesaid

By: \_\_\_\_\_  
Its \_\_\_\_\_

1304 S. INDIANA AVENUE LIMITED  
PARTNERSHIP, an Illinois Limited Partnership

By: Fogelson Properties, Inc., an Illinois  
Corporation, its General Partner

By:   
Its \_\_\_\_\_ President


ATTEST:

By: \_\_\_\_\_  
Secretary

FOREST CITY CENTRAL STATION, INC.,  
an Ohio Corporation

ATTEST:

By: \_\_\_\_\_  
Secretary

By:   
Its \_\_\_\_\_ President

CHICAGO TITLE AND TRUST COMPANY, not personally, but as Trustee of Trust No. 1093252 aforesaid

ATTEST:

By: \_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
Its \_\_\_\_\_

CHICAGO TITLE AND TRUST COMPANY, not personally, but as Trustee of Trust No. 1080000 aforesaid

ATTEST:

By: \_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
Its \_\_\_\_\_

1304 S. INDIANA AVENUE LIMITED PARTNERSHIP, an Illinois Limited Partnership

By: Fogelson Properties, Inc., an Illinois Corporation, its General Partner

By: \_\_\_\_\_  
Its \_\_\_\_\_ President \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Secretary

FOREST CITY CENTRAL STATION, INC., an Ohio Corporation

ATTEST:

By: Thomas B. [Signature]  
Secretary

By: \_\_\_\_\_  
Its \_\_\_\_\_ President \_\_\_\_\_

CENTRAL STATION LIMITED PARTNERSHIP,  
an Illinois limited partnership

ATTEST:

By: Richard P. Zdowski  
Secretary

By: Fogelson Properties, Inc., an Illinois  
Corporation, a General Partner

By: [Signature]  
Its President

By: Forest City Central Station, Inc. an Ohio  
Corporation, a General Partner

By: \_\_\_\_\_  
Its President

ATTEST:

By: \_\_\_\_\_  
Secretary

CENTRAL STATION DEVELOPMENT  
CORPORATION, an Illinois corporation

ATTEST:

By: Richard P. Zdowski  
Asst. Secretary

By: [Signature]  
Its VICE President




**CENTRAL STATION LIMITED PARTNERSHIP,  
an Illinois limited partnership**


**ATTEST:**

By: \_\_\_\_\_  
Secretary

By: Fogelson Properties, Inc., an Illinois  
Corporation, a General Partner

By:   
Its \_\_\_\_\_ President \_\_\_\_\_

By: Forest City Central Station, Inc. an Ohio  
Corporation, a General Partner

By:   
Its \_\_\_\_\_ President \_\_\_\_\_


**ATTEST:**

By: \_\_\_\_\_  
Secretary

**CENTRAL STATION DEVELOPMENT  
CORPORATION, an Illinois corporation**

**ATTEST:**

By: \_\_\_\_\_  
Secretary

By:   
Its \_\_\_\_\_ President \_\_\_\_\_

**CENTRAL STATION LIMITED PARTNERSHIP,  
an Illinois limited partnership**

By: Fogelson Properties, Inc., an Illinois  
Corporation, a General Partner

By: \_\_\_\_\_

Its President

By: Forest City Central Station, Inc. an Ohio  
Corporation, a General Partner

By: \_\_\_\_\_

Its President

**ATTEST:**

By: \_\_\_\_\_  
Secretary

**ATTEST:**

By: Thomas B. [Signature]  
Secretary

**CENTRAL STATION DEVELOPMENT  
CORPORATION, an Illinois corporation**

By: \_\_\_\_\_

Its President

**ATTEST:**

By: \_\_\_\_\_  
Secretary

CITY OF CHICAGO

By: Walter S. ...  
Commissioner, Department of  
Planning and Development



STATE OF ILLINOIS }  
COUNTY OF COOK } SS

I, Constance M. Green, a Notary Public in and for the county and state aforesaid, do hereby certify that Gerald W. Fogelson, President of Fogelson Properties, Inc., an Illinois corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me in person and acknowledged that (s)he signed and delivered the same instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation, individually and as a General Partner of Central Station Limited Partnership, an Illinois limited partnership, and as the sole General Partner of 1304 S. Indiana Avenue Limited Partnership, an Illinois limited partnership, for the uses and purposes therein set forth.

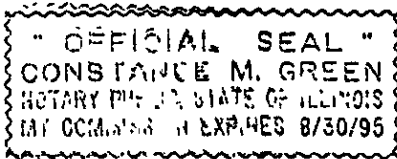
Given under my hand and notarial seal this 6th day of December, 1994.

My Commission Expires:

8/30/95



Notary Public



STATE OF ILLINOIS  
COUNTY OF COOK } SS

I, Constance M Green, a Notary Public in and for the county and state  
aforesaid, do hereby certify that Albert B. Katner,  
President of Forest City Central Station, Inc., an Ohio corporation, who is personally known  
to me to be the same person whose name is subscribed to the foregoing instrument as such  
officer, appeared before me in person and acknowledged that (s)he signed and delivered the  
same instrument as his/her own free and voluntary act and as the free and voluntary act of said  
corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 17<sup>th</sup> day of December,  
1994.

My Commission Expires:  
8/30/95

Constance M Green  
Notary Public



STATE OF ILLINOIS }  
COUNTY OF COOK } SS

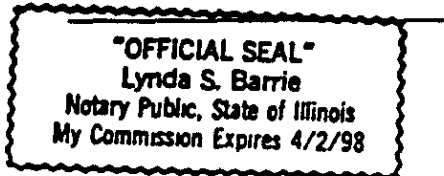
I, LYNDA S. BARRIE, a Notary Public in and for the county and state aforesaid, do hereby certify that Melanie M. Hinds, Asst. Vice President of Chicago Title and Trust Company, not personally but as Trustee of Trust No. 1080000, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me in person and acknowledged that (s)he signed and delivered the same instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 21<sup>st</sup> day of December, 1994.

My Commission Expires:

Lynda S. Barrie

Notary Public



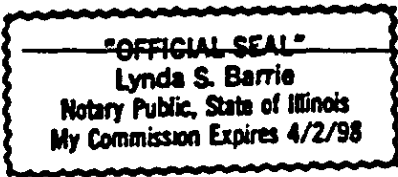
STATE OF ILLINOIS }  
COUNTY OF COOK } SS

I, Lynda S. Barrie, a Notary Public in and for the county and state aforesaid, do hereby certify that Melvin Hinds, INC, ~~Inc~~ President of Chicago Title and Trust Company, not personally but as Trustee of Trust No. 1093252, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me in person and acknowledged that (s)he signed and delivered the same instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 21<sup>st</sup> day of December, 1994.

My Commission Expires:

Lynda S. Barrie  
Notary Public





STATE OF ILLINOIS }  
COUNTY OF COOK } SS

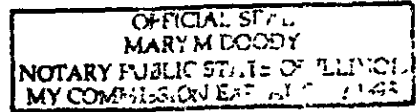
I, Mary M Doody, a Notary Public in and for the county and state aforesaid, do hereby certify that Valerie B. Jarrett, the Commissioner, Department of Planning and Development, City of Chicago, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me in person and acknowledged that (s)he signed and delivered the same instrument as his/her own free and voluntary act and as the free and voluntary act of said City of Chicago, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 22<sup>nd</sup> day of December, 1994.

My Commission Expires:

8-12-95

Mary M Doody  
Notary Public



**EXHIBIT 1**

**ORIGINAL REDEVELOPMENT AGREEMENT**

*Recorded under 91574409*

**EXHIBIT 2**

**AN ORDINANCE ADOPTING AND APPROVING THE NEAR SOUTH  
REDEVELOPMENT AREA PROJECT AND PLAN**

- (with Exhibit A: Expanded Area Redevelopment Project and  
Plan;  
Exhibit B: Expanded Redevelopment Project Area;  
Exhibit C. Street location for Expanded Redevelopment Project Area;  
and  
Exhibit D. Map of Expanded Redevelopment Project Area.)

EXHIBIT 3

AN ORDINANCE ADOPTING TAX INCREMENT  
ALLOCATION FINANCING FOR THE NEAR SOUTH  
REDEVELOPMENT PROJECT AREA

**EXHIBIT 4**

**AN ORDINANCE DESIGNATING THE NEAR  
SOUTH REDEVELOPMENT PROJECT AREA**

**EXHIBIT 5**

**DEDICATIONS AND CONVEYANCES TO THE CITY**

**EXHIBIT 6**

**THE AMENDED EXHIBIT M**

## Exhibit M

ITEM	Improvement Cost	TIF Portion Paid as of December 20, 1994	TIF Portion to be Paid	Developer Contribution Incurred as of July 1, 1994	Developer Contribution to be Paid
1 1304 S. Indiana Demolition	0	0	0	0	0
2 Fiber Optic Relocation	252,604	133,200	0	119,404	0
3 Stone Wall Demolition	464,752	50,036	305,917	0	108,800
4 Roosevelt, Michigan to Indiana	614,087	429,657	184,431	0	0
5 Indiana, Roosevelt to 14th Street	1,756,609	1,165,353	591,257	0	0
6 Indiana, 14th Street to 16th Street	1,311,508	744,966	566,542	0	0
7 Outfall Sewer, 14th Street	1,538,547	18,272	1,520,275	0	0
8 15th Street Park	695,000	0	585,000	55,000	55,000
9 14th Street	275,000	0	275,000	0	0
10 Prairie Avenue	725,000	0	725,000	0	0
11 15th Street	375,000	0	375,000	0	0
12 Other Landscaping	500,000	0	0	115,572	384,429
13 SUBTOTAL: HARD COSTS	<b>8,508,108</b>	<b>2,541,483</b>	<b>5,128,422</b>	<b>289,975</b>	<b>548,229</b>
14 TIF Redevelopment Plan	107,751	107,751	0	0	0
15 Preliminary Infrastructure Analysis	957,829	149,000	0	808,829	0
16 Insurance	125,000	0	117,490	7,510	0
17 Contingency	530,000	0	201,100	0	328,900
18 Soil Remediation	750,000	0	300,000	175,000	275,000
19 Design and Related Fees and Costs	510,486	309,132	151,062	17,399	32,894
20 Development Project Management Fees	425,405	125,000	258,495	14,499	27,411
21 City Construction Fees inc. Force Account	500,000	73,526	426,474	0	0
22 Estimated Construction Period Interest	650,000	599,000	51,000	0	0
23 City Administration Fee	150,000	150,000	0	0	0
24 Sub-total	13,214,581	4,054,892	6,634,043	1,313,212	1,212,434
25 GRAND TOTAL	<b>13,214,581</b>	<b>10,688,935</b>	<b>6,634,043</b>	<b>2,525,645</b>	<b>1,212,434</b>
26 Percent of Total	100.00%	80.89%	50.51%	19.11%	9.17%



EXHIBIT 7

ADDITIONAL DEVELOPER COVENANTS TO BE  
INCORPORATED IN THE FIRST AMENDMENT  
PURSUANT TO SECTION 2.02 OF SAID AMENDMENT

1. Add to the Original Redevelopment Agreement the following as the last sentence of Section 3.07:

"Throughout the term of the Series 1994A T.I.F. Bonds, the Developer shall keep the Property continuously insured in such amount and against such risks and hazards as the City may from time to time reasonably require, and the Developer shall pay all premiums in respect thereto as the same become due. Copies or certificates of insurance policies required by this Section shall be delivered to the City at least fifteen (15) days prior to the effective date of this Section, and copies or certificates of any new or renewal policies shall be delivered to the City not less than thirty (30) days prior to the applicable expiration date."

2. Add to the Original Redevelopment Agreement the following as Section 3.09:

"3.09 Condemnation and Eminent Domain. Any and all awards made by any governmental or other lawful authority for the taking by the City, through the exercise of condemnation or eminent domain, of all or any part of the Property, whether temporarily or permanently, shall be divided and utilized in the following manner. The Developer shall be entitled to retain such award as follows: (a) when the Property is taken for a purpose other than public roads or open space as provided in the Development Guidelines, the Developer retains the entire award and (b) when the Property is taken for public improvements or facilities, the Developer retains its purchase price in the Property taken together with the Developer's cost of the Developer Improvements upon the Property and any and all resulting damage to the remainder of the Property, if any. The balance of any award not retained by the Developer in accordance with this Section, shall be promptly forwarded to the City and shall be deposited into the Project Fund (as defined in the Series 1994A Bond Ordinance) to be applied as provided for in the Bond Ordinance. If no such Project Fund then exists, the City shall deposit such amount as determined by the Commissioner of the Department of Planning and Development with the approval of Corporation Counsel."

3. Add to the Original Redevelopment Agreement the following as Section 8.02:

"8.02. Exemptions. With reference to the Property and the Project or any part thereof, neither the Developer nor any agent, representative, lessee, tenant, assignee or transferee of, or successor in interest to, the Developer shall for any year that the Redevelopment Plan is in effect, as may be amended from time to time, apply for, seek, or authorize any exemption (as such term is used and

defined in Illinois Constitution, Article IX, Section 6 (1970), except for homestead exemptions, to the extent available, on residential property, and for exemptions described in Section 19.1 through 19.23-1 of Chapter 120, Ill. Rev. Stat., as amended. Notwithstanding anything herein to the contrary, the Developer, its successors or assigns shall be prohibited from conveying, leasing or transferring the Property or any portion thereof to any other entity if the conveyance, lease or transfer causes a decrease in the aggregate Minimum Assessed Value for the Redevelopment Project Area."

4. Add to the Original Redevelopment Agreement the following as Section 8.03:

"8.03. No Reduction. Neither the Developer nor any agent, representative, lessee, tenant, assignee or transferee of, or successor in interest to the Developer shall for any year that the Redevelopment Plan is in effect, directly or indirectly, initiate, apply for, or seek to lower the assessed value of the Property below \$3,754,636, the amount of the Minimum Assessed Value of the Property except that the Developer shall be entitled to apply for class 7 property tax incentives on a case-by-case basis for all portions of the Property other than the Property subject to Master Plan I. Notwithstanding the foregoing, neither the Developer nor any agent, representative, lessee, tenant, assignee or transferee of, or successor in interest to the Developer shall for any year that the Redevelopment Plan is in effect, directly or indirectly initiate, apply for, or seek to lower the Minimum Assessed Value of the Property below an amount which would result in the Minimum Assessed Value of the Redevelopment Project Area falling below \$4,890,266."

5. Add to the Original Redevelopment Agreement the following as Section 8.04:

"8.04. No Objections. Neither the Developer nor any agent, representative, lessee, tenant, assignee or transferee of, or successor in interest to the Developer shall, for any year that the Redevelopment Plan is in effect, as may be amended from time to time, object to or in any way to seek to prevent, on procedural or any other grounds, the filing of any underassessment complaint with, and full participation in all related proceeding before, the Cook County Assessor or the Cook County Board of Appeals, by either the City, or by any taxpayer."

6. Add to the Original Redevelopment Agreement the following as Section 8.05:

"8.05. No Class 6A, 6B or 8 Incentives. Neither the City nor the Developer shall consent to or support any application for any class 6A or 6B or 8 or other property tax incentives or rebates in connection with the Property and/or Project in the Redevelopment Area."

7. Add to the Original Redevelopment Agreement the following as Section 8.06:

**"8.06. Understanding of the Parties. The foregoing covenants in this Section VIII shall be construed and interpreted as an express agreement by the Developer with the City that the material consideration inducing the City to enter into the arrangements and transactions described in this Agreement is to increase the assessed valuation of and the general real estate taxes payable with respect to the Property and Project. This Agreement and the exhibits attached hereto may be used by the City in the City's discretion, as admissions against the Developer's interest in any proceeding."**