

Contract Summary Sheet

Contract (PO) Number: 18307

Specification Number: 68919

Name of Contractor: ROSA PARKS LIMITED PARTNERSHIP

City Department: PLANNING & DEVELOPMENT

Title of Contract: Residential Development

Term of Contract: Start Date: 8/28/2008

End Date: 12/31/2025

Dollar Amount of Contract (or maximum compensation if a Term Agreement) (DUR):
\$3,506,624.00

Brief Description of Work: Residential Development

Procurement Services Contract Area: COMPTROLLER-OTHER

Vendor Number: 51594023

Submission Date:

SEP 24 2008

Department Of Water Management.

Tap Fees.

Cut and Seal Fees.

(Fees to purchase B-boxes and remote read-outs are not waived.)

Permit (connection) and Inspection Fees.

Sealing Permit Fees.

Department Of Transportation.

Street Opening Fees.

Driveway Permit Fees.

Use of Public Way Fees.

DESIGNATION OF ROSA PARKS LIMITED PARTNERSHIP AND
BICKERDIKE REDEVELOPMENT CORPORATION AS PROJECT
DEVELOPERS, AUTHORIZATION FOR EXECUTION OF LOAN
AND REDEVELOPMENT AGREEMENTS, PROVISION OF TAX
INCREMENT ALLOCATION FINANCING AND SALE OF
CITY-OWNED PROPERTY FOR CONSTRUCTION
OF AFFORDABLE HOUSING WITHIN
CHICAGO/CENTRAL PARK
REDEVELOPMENT
PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, July 9, 2008.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration a substitute ordinance authorizing entering into and executing a redevelopment agreement and loan agreement for Rosa Parks Limited Partnership, amount of loan not to exceed \$7,152,474, having had the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed substitute ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas-- Aldermen Flores, Fioretti, Dowell, Preckwinkle, Hairston, Lyle, Jackson, Harris, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, Foulkes, Thompson, Thomas, Lane, Rugai, Cochran, Brookins, Muñoz, Zalewski, Dixon, Solis, Ocasio, Burnett, E. Smith, Carothers, Reboyras, Suarez, Waguespack, Austin, Colón, Banks, Mitts, Allen, Laurino, Doherty, Reilly, Daley, Tunney, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

Alderman Carothers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe and sanitary rental housing available to persons of low- and moderate-income; and

WHEREAS, The City has determined that the continuance of a shortage of affordable rental housing is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, The Congress of the United States has enacted the Cranston-Gonzalez National Affordable Housing Act, 42 U.S.C. Section 12701, et seq., authorizing, inter alia, the HOME Investment Partnerships Program (the "HOME Program") pursuant to which the United States Department of Housing and Urban Development ("H.U.D.") is authorized to

make funds (the "HOME Funds") available to participating jurisdictions to increase the number of families served with decent, safe, sanitary and affordable housing and to expand the long-term supply of affordable housing; and

WHEREAS, The City has received an allocation from H.U.D. of HOME Funds to make loans and grants for the purposes enumerated above and such HOME Funds are administered by the City's Department of Housing ("D.O.H."); and

WHEREAS, The City may have available certain funds in Corporate Fund Number 100 (the "Corporate Funds") to be used as the local match of HOME Funds as required under the HOME Program; and

WHEREAS, The City may have available to it certain funds (the "Program Income") derived from repayments to the City of HOME Funds and/or other returns on the investment of HOME Funds; and

WHEREAS, The City has programmed certain funds (the "Multi-Program Funds") for its Multi-Family Loan Program (the "Multi-Program") under the Community Development Block Grant Program, wherein acquisition and rehabilitation loans are made available to owners or developers of rental properties containing five (5) or more dwelling units located in low- and moderate-income areas, and the Multi-Program is administered by D.O.H.; and

WHEREAS, The City has established that certain Affordable Housing Opportunity Fund pursuant to Section 2-44-090 of the Municipal Code of Chicago, and D.O.H. may make loans to certain qualified projects for the construction or rehabilitation of affordable housing from this source (the "A.H.O. Funds") subject to appropriation and authorization by the City Council of the City; and

WHEREAS, D.O.H. has preliminarily reviewed and approved the making of a loan to Rosa Parks Limited Partnership, an Illinois limited partnership (the "Borrower") of which BRC Affiliate, Inc., an Illinois not-for-profit corporation (which is an affiliate of Bickerdike Redevelopment Corporation, an Illinois not-for-profit corporation ("Bickerdike") is the sole general partner, in an amount not to exceed Seven Million One Hundred Fifty-two Thousand Four Hundred Seventy-four Dollars (\$7,152,474) (the "Loan"), to be funded from HOME Funds, Corporate Funds and/or Program Income, and/or A.H.O. Funds for the Project, or, in the alternative, the making of the Loan to Bickerdike from Multi-Program Funds, the proceeds of which would then be loaned by Bickerdike to the Borrower for the Project, all as described on Exhibit A attached hereto and made a part hereof, and pursuant to the terms and conditions set forth in Exhibit A; and

WHEREAS, Pursuant to an ordinance adopted by the City Council of the City (the "City Council") on February 27, 2002, and published at pages 79794 through 80002 of the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal of Proceedings*") of such date, a certain redevelopment plan and project (the "Redevelopment Plan") for the Chicago/Central Park Redevelopment Project Area (the "Redevelopment Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1, et seq.) (the "Act"); and

WHEREAS, Pursuant to an ordinance adopted by the City Council on February 27, 2002, and published at pages 80003 through 80014 of the *Journal of Proceedings* of such date, the Redevelopment Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, Pursuant to an ordinance (the "T.I.F. Ordinance") adopted by the City Council on February 27, 2002, and published at pages 80015 through 80025 of the *Journal of Proceedings* of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain redevelopment project costs (as defined in the Act) in the Redevelopment Area incurred pursuant to the Redevelopment Plan; and

WHEREAS, Pursuant to Section 5/11-74.4-8(b) of the Act and the T.I.F. Ordinance, incremental taxes ("Incremental Taxes") are deposited from time to time in the "Chicago/Central Park Redevelopment Project Area Special Tax Allocation Fund" (the "T.I.F. Fund") established pursuant to the T.I.F. Ordinance; and

WHEREAS, The City is the owner of the real property identified on Exhibit D attached hereto (the "City Land"), which is located in the Redevelopment Area; and

WHEREAS, Bickerdike has submitted a proposal to the City's Department of Planning and Development ("D.P.D.") to purchase the City Land for One and no/100 Dollars (\$1.00) per parcel, which is approximately One Million Seven Hundred Twelve Thousand Dollars (\$1,712,000) less than its fair market value, and after acquiring the City Land, Bickerdike will thereafter immediately convey the City Land to the Borrower; and

WHEREAS, Bickerdike is the owner of the parcel of land identified on Exhibit E attached hereto (the "Bickerdike Parcel"), which is also located in the Redevelopment Area; and

WHEREAS, Bickerdike intends to convey the Bickerdike Parcel to the Borrower, and Borrower intends to use the City Land and the Bickerdike Parcel (together, the "Property") to construct the Project; and

WHEREAS, The Borrower (formed by Bickerdike to develop the Project) has proposed to undertake the redevelopment of the City Land in accordance with the Redevelopment Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Borrower, Bickerdike and the City, including but not limited to, the acquisition of the City Land by Bickerdike and the construction of the Project, to be financed in part by a portion of Incremental Taxes, if any, deposited in the T.I.F. Fund pursuant to Section 5/11-74.4-8(b) of the Act; and

WHEREAS, Pursuant to Resolution 08-CDC-38 adopted by the Community Development Commission of the City (the "Commission") on May 13, 2008, the Commission authorized D.P.D. to publish notice pursuant to Section 5/11-74.4(c) of the Act of its intention to negotiate a redevelopment agreement with the Borrower for the Project, including the negotiated sale of the City Land, and to request alternative proposals for redevelopment of the City Land or a portion thereof; and

WHEREAS, D.P.D. published the notice in the *Chicago Sun-Times* on June 5 through June 18, 2008, requested alternative proposals for the redevelopment of the City Land or a portion thereof and provided reasonable opportunity for other persons to submit alternative bids or proposals; and

WHEREAS, Since no other responsive proposals were received by D.P.D. for the redevelopment of the City Land or a portion thereof by the deadline indicated in the aforesaid notices, pursuant to Resolution 08-CDC-38, the Commission has recommended that the Borrower be designated as the developer for the Project and that D.P.D. be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Borrower for the Project, including the negotiated sale of the City Land; and

WHEREAS, On January 16, 2002, the City Council enacted an ordinance published in the *Journal of Proceedings* for such date at pages 77362 through 77366, inclusive, as amended by an ordinance adopted by City Council on September 4, 2003 and published in the *Journal of Proceedings* for such date at pages 6475 through 6626, inclusive, which authorized the establishment of a program (as supplemented; amended and restated from time to time, the "Donation Tax Credit Program") to be implemented by D.O.H. in connection with the use of certain tax credits authorized by the Illinois General Assembly pursuant to Public Act 92-0491 (as supplemented, amended and restated from time to time) for donations made in connection with affordable housing projects; and

WHEREAS, The conveyance of the City Land by the City to Bickerdike in connection with the Project may qualify under the Donation Tax Credit Program as an eligible donation, and may generate certain additional proceeds for the Project, but the receipt of such donations and proceeds is not a condition to the making of the Loan; and

WHEREAS, Bickerdike has applied for a certain (i) energy efficiency grant from the Illinois Department of Commerce and Economic Opportunity in the amount of Two Hundred Eighty-five Thousand Three Hundred Forty-four Dollars (\$285,344), (ii) Enterprise Foundation Energy grant in the amount of Fifty Thousand Dollars (\$50,000), and (iii) Illinois Clean Energy Fund grant in the amount of Forty Thousand Dollars (\$40,000), all in connection with the Project (collectively, the "Grants") which such Grants may be loaned by Bickerdike to the Borrower (the "Sponsor Loans") or otherwise contributed for use in connection with the Project, and which such Sponsor Loans may be secured by a mortgage or mortgages junior to the City Mortgage (as defined on Exhibit A), but the receipt by the Borrower of the proceeds of the Grants is not a condition to the making of the Loan; and

WHEREAS, It is possible that the Borrower may enter into a certain interest rate swap agreement (the "Swap Agreement") with Harris N.A. (the "Bank") in order to provide for a fixed rate of interest in connection with the Senior Loan (as defined on Exhibit A hereto); and

WHEREAS, Certain risks to the Bank under the Swap Agreement may be secured by the Harris Mortgage (as defined on Exhibit A); and

WHEREAS, Pursuant to an ordinance adopted by the City Council on December 13, 2006, as may be amended or supplemented (the "Modern Schools Across Chicago Bond Ordinance"), the City intends to issue one or more series of general obligation bonds (the "Modern Schools Across Chicago Bonds") as a means of financing certain redevelopment project costs (as defined in the Act) incurred pursuant to the Redevelopment Plan, including but not limited to the construction and/or rehabilitation of a public school or schools located in the Area and/or a redevelopment project area under Section 3(p) of the Act that is either contiguous to, or is separated only by a public right-of-way from the Redevelopment Area pursuant to Section 4(q) of the Act and Section VII(C) of the Redevelopment Plan; and

WHEREAS, Pursuant to an ordinance adopted by the City Council on March 10, 2004, the City issued, on December 10, 2004, a City of Chicago Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project Area), Taxable Series 2004 in the aggregate principal amount of One Million Five Hundred Thousand Dollars (\$1,500,000), as a means of financing certain redevelopment project costs (as defined in the Act) under the City's Neighborhood Improvement Fund Program (the "N.I.F. Note"); and

WHEREAS, It is the City's intention to pay principal and interest on the Modern Schools Across Chicago Bonds and the N.I.F. Note, in whole or in part, out of Incremental Taxes, amongst other sources, pursuant to the Act; now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Borrower and Bickerdike are hereby collectively designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.

SECTION 3. Upon the approval and availability of the Additional Financing as shown in Exhibit A hereto, the Commissioner of D.O.H. (the "D.O.H. Commissioner") and a designee of the D.O.H. Commissioner (collectively, the "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Loan to the Borrower and/or to Bickerdike, in the discretion of the Authorized Officer, and the terms and program objectives of the HOME Program and/or the Multi-Program. One Million Four Hundred Fifty-nine Thousand Four Hundred Twenty-two Dollars (\$1,459,422) of A.H.O. Funds are hereby appropriated and authorized to be incorporated into the Loan to the Borrower and/or to Bickerdike, in the discretion of the Authorized Officer. The Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Loan which do not substantially modify the terms described in Exhibit A hereto. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the Loan to the Borrower and/or to Bickerdike, as the case may be.

SECTION 4. The City is hereby authorized to sell and convey the City Land to Bickerdike for the sum of One and no/100 Dollars (\$1.00) per parcel. This approval is expressly conditioned upon the City entering into a redevelopment agreement with Bickerdike and the Borrower in substantially the form attached hereto as Exhibit C and made a part hereof (the "Redevelopment Agreement"). The Commissioner of D.P.D. (the "D.P.D. Commissioner") and a designee of the D.P.D. Commissioner are each hereby authorized, subject to approval by the City's Corporation Counsel, to negotiate, execute and deliver on behalf of the City the Redevelopment Agreement, and such other supporting documents as may be necessary or advisable to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement.

SECTION 5. The Mayor or his proxy is authorized to execute, and the City Clerk is authorized to attest, a quitclaim deed conveying the City Land to Bickerdike, subject to those covenants, conditions and restrictions set forth in the Redevelopment Agreement.

SECTION 6. The City Council of the City hereby finds that the City is authorized to issue its tax increment allocation revenue obligation in the maximum principal amount of Two Million Seven Hundred Eighty-one Thousand Six Hundred Twenty-four Dollars (\$2,781,624), plus pay Seven Hundred Twenty-five Thousand Dollars (\$725,000) from Incremental Taxes deposited in the general account of the T.I.F. Fund (the "General Account") as the initial payments (the "Initial Payments"), to finance a portion of the eligible costs included within the Project.

SECTION 7. There shall be borrowed for and on behalf of the City a principal amount not to exceed Two Million Seven Hundred Eighty-one Thousand Six Hundred Twenty-four Dollars (\$2,781,624) for the payment of a portion of the eligible redevelopment project costs (as such term is defined under the Act) included within the Project (such costs shall be known herein and in the Redevelopment Agreement as "T.I.F.-Funded Improvements"). The borrowing shall be evidenced by a note of the City in an initial principal amount up to Two Million Seven Hundred Eighty-one Thousand Six Hundred Twenty-four Dollars (\$2,781,624), designated "Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project), Taxable Series 2008A" (the "City Note"). In addition, the City is authorized to pay Bickerdike from Incremental Taxes an amount up to Seven Hundred Twenty-five Thousand Dollars (\$725,000) as the Initial Payments. The City Note shall be substantially in the form attached to the Redevelopment Agreement as (Sub)Exhibit M and made a part hereof, with such additions or modifications as shall be determined to be necessary by the Chief Financial Officer of the City, or if there is no Chief Financial Officer, then the City Comptroller of the City, at the time of issuance to reflect the purpose of the issue. The City Note shall be dated the date of delivery thereof, and shall also bear the date of authentication, shall be in fully registered form, shall be in the denomination of the outstanding principal amount thereof and shall become due and payable as provided therein. The proceeds of the City Note and the Initial Payments are hereby appropriated for the purposes set forth in this Section 7.

The City Note shall bear interest at fixed interest rates per annum equal to the interest rates set forth in the Redevelopment Agreement. Interest on the City Note shall be subject to

federal income taxes. Interest on the City Note shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Accrued and unpaid interest on the City Note shall compound on February 1st of each year and thereafter bear interest at the same fixed interest rate that applies to the principal of the City Note.

The principal of and interest on the City Note shall be paid by check, draft or wire transfer of funds by the City Comptroller of the City, as registrar and paying agent (the "Registrar"), payable in lawful money of the United States of America to the persons in whose names the City Note are registered at the close of business on the payment date, in any event no later than at the close of business on the fifteenth (15th) day of the month immediately after the applicable payment date; provided, that the final installment of the principal and accrued but unpaid interest of the City Note shall be payable in lawful money of the United States of America at the principal office of the Registrar or as otherwise directed by the City on or before the maturity date.

The seal of the City shall be affixed to or a facsimile thereof printed on the City Note, and the City Note shall be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City, and in case any officer whose signature shall appear on the City Note shall cease to be such officer before the delivery of the City Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The City Note shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Registrar, as authenticating agent of the City for the City Note, and showing the date of authentication. The City Note shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this ordinance unless and until such certificate of authentication shall have been duly executed by the Registrar by manual signature, and such certificate of authentication upon the City Note shall be conclusive evidence that the City Note has been authenticated and delivered under this ordinance.

SECTION 8. The City shall cause books (the "Register") for the registration and for the transfer of the City Note (to the extent such transfer is permitted under the Redevelopment Agreement) as provided in this ordinance to be kept at the principal office of the Registrar, which is hereby constituted and appointed the Registrar of the City for the City Note. The City is authorized to prepare, and the Registrar shall keep custody of, multiple City Note blanks executed by the City for use in the transfer of the City Note.

Upon surrender for a transfer of the City Note authorized under the Redevelopment Agreement at the principal office of the Registrar, duly endorsed by, or accompanied by (i) a written instrument or instruments of transfer in form satisfactory to the Registrar, (ii) an investment representation in form satisfactory to the City and duly executed by, the registered owner or his attorney duly authorized in writing, (iii) the written consent of the City evidenced by the signature of the Chief Financial Officer (or his or her designee) and the D.P.D. Commissioner on the instrument of transfer, and (iv) any deliveries required under the Redevelopment Agreement, the City shall execute and the Registrar shall authenticate, date

and deliver in the name of any such authorized transferee or transferees a new fully registered City Note of the same maturity, of authorized denomination, for the authorized principal amount of the City Note less previous retirements. The execution by the City of a fully registered City Note shall constitute full and due authorization of the City Note and the Registrar shall thereby be authorized to authenticate, date and deliver the City Note. The Registrar shall not be required to transfer or exchange a City Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of the City Note nor to transfer or exchange a City Note after notice calling a City Note for prepayment has been made, nor during a period of five (5) days next preceding mailing of a notice of prepayment of principal of a City Note. No beneficial interests in a City Note shall be assigned, except in accordance with the procedures for transferring a City Note described above.

The person in whose name the City Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of and interest, if any, on the City Note shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the City Note to the extent of the sum or sums so paid.

No service charge shall be made for any transfer of the City Note, but the City or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the City Note.

SECTION 9. Subject to the limitations set forth herein, the Chief Financial Officer (or his or her designee) is authorized to determine the terms of the City Note and to issue the City Note on such terms as the Chief Financial Officer (or his or her designee) may deem to be in the best interest of the City. The principal of the City Note shall be subject to determination, reduction and prepayment as provided in the form of City Note attached to the Redevelopment Agreement as (Sub)Exhibit M, and as provided in the Redevelopment Agreement, including, without limitation, Sections 2, 4.03 and 15.02 thereof. As directed by the Chief Financial Officer (or his or her designee), the Registrar shall proceed with prepayment without further notice or direction from the City. The Registrar shall note on the debt service schedule attached to the City Note the amount of any payment of principal or interest on such City Note, including the amount of any redemption or prepayment, and the amount of any reduction in principal pursuant to the Redevelopment Agreement.

SECTION 10. The City Note hereby authorized shall be executed as in this ordinance and the Redevelopment Agreement provided as soon after the passage hereof as may be practicable and consistent with the terms of the Redevelopment Agreement, and thereupon, be deposited with the D.P.D. Commissioner, and be by said D.P.D. Commissioner delivered to the Borrower.

SECTION 11. Pursuant to the T.I.F. Ordinance, the City has created the T.I.F. Fund. The Chief Financial Officer (or his or her designee) of the City is hereby directed to maintain the T.I.F. Fund as a segregated interest-bearing account, separate and apart from the City's Corporate Fund or any other fund of the City. Pursuant to the T.I.F. Ordinance, all Incremental Taxes received by the City for the Area shall be deposited into the T.I.F. Fund.

There is hereby created within the General Account of the T.I.F. Fund a special subaccount to be known as the "Rosa Parks Limited Partnership Project Account" (the "Project Account"). Commencing in the year in which the Certificate of Completion (as defined in Section 2 of the Redevelopment Agreement) is issued, pursuant to Section 7.01 of the Redevelopment Agreement, and after scheduled payment of principal and interest on the Modern Schools Across Chicago Bonds and the N.I.F. Note out of Incremental Taxes, the City shall designate and deposit into the Project Account an amount equal to the amount reflected in the debt service schedule for such year (such amount, the "Available Incremental Taxes"). The debt service schedule shall be attached to the City Note at closing.

Subject to the terms and conditions of the Redevelopment Agreement, and in accordance with the above mentioned debt service schedule, the City shall use the funds in the Project Account to make payments with respect to the City Note until the City Note has been fully repaid. In the event that an event of default under the Redevelopment Agreement entitles the City permanently to terminate further payments of City Funds (as defined in the Redevelopment Agreement) with respect to the City Note, the City may in its discretion, return the amounts in the Project Account established above that would otherwise be allocated to the payment of the City Note to the T.I.F. Fund of the City and the Project Account shall be closed.

The City hereby assigns, pledges and dedicates the Project Account, together with all amounts on deposit therein, to the payment of the principal of and interest, if any, on the City Note when due under the terms of the Redevelopment Agreement. Upon deposit, the monies on deposit in the Project Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the Project Account. All monies on deposit in the Project Account shall be used to pay the principal of and interest on the City Note, at maturity or upon payment or redemption prior to maturity, in accordance with its terms, which payments from the Project Account are hereby authorized and appropriated by the City. Upon payment of all amounts due under the City Note and the Redevelopment Agreement in accordance with their terms (or the termination of the City's obligation to make such payments), the amounts on deposit in the Project Account, as applicable, shall be deposited in the T.I.F. Fund of the City and the Project Account shall be closed.

Notwithstanding any of the foregoing, payments on the City Note will be subject to the availability of Available Incremental Taxes in the Project Account.

SECTION 12. The City Note is a special limited obligation of the City, and is payable solely from amounts on deposit in the Project Account and shall be a valid claim of the registered owner thereof only against said sources. The City Note shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any constitutional or statutory provision. The registered owner(s) of the City Note shall not have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of or interest on the City Note. The City's obligation to fully repay the City Note is further limited by the terms and conditions of the Redevelopment Agreement.

SECTION 13. Monies on deposit in the T.I.F. Fund or the Project Account, as the case may be, may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago. Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on the City Note.

SECTION 14. Pursuant to the Redevelopment Agreement, the Borrower shall complete the Project. The eligible redevelopment project costs of the Project constituting T.I.F.-Funded Improvements up to the principal amount of Two Million Seven Hundred Eighty-one Thousand Six Hundred Twenty-four Dollars (\$2,781,624) shall be deemed to be a disbursement of the proceeds of the City Note. Upon issuance, the City Note shall have in the aggregate an initial principal balance equal to the Borrower's prior expenditures for T.I.F.-Funded Improvements (excluding the Initial Payments) up to a maximum amount of Two Million Seven Hundred Eighty-one Thousand Six Hundred Twenty-four Dollars (\$2,781,624), as supported by a Certificate of Expenditure in accordance with the City Note, and subject to the reductions described in the Redevelopment Agreement. After issuance, the principal amount outstanding under the City Note shall be the initial principal balance of the City Note, plus interest thereon, minus any principal amount and interest paid on the City Note and other reductions in principal as provided in the Redevelopment Agreement.

SECTION 15. The Registrar shall maintain a list of the names and addresses of the registered owners from time to time of the City Note and upon any transfer shall add the name and address of the new registered owner and eliminate the name and address of the transferor.

SECTION 16. The provisions of this ordinance shall constitute a contract between the City and the registered owner(s) of the City Note. All covenants relating to the City Note are enforceable by the registered owner(s) of the City Note.

SECTION 17. The City hereby further approves the conveyance of the City Land as a donation to Bickerdike from the City under the Donation Tax Credit Program in connection with the Project. The Authorized Officer is hereby authorized to transfer the tax credits allocated to the City under the Donation Tax Credit Program in connection with the conveyance of the City Land to an entity satisfactory to the Authorized Officer on such terms and conditions as are satisfactory to the Authorized Officer (the "Transfer"). The proceeds, if any, received by the City in connection with the Transfer are hereby appropriated, and the Authorized Officer is hereby authorized to use such proceeds to make a grant to Bickerdike or the General Partner, in her sole discretion, for use in connection with the Project (the "Grant"). The Authorized Officer is hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Transfer and the Grant. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the Grant to Bickerdike or the General Partner, as applicable.

SECTION 18. In connection with the Loan by the City to the Borrower, the City shall waive those certain fees, if applicable, imposed by the City with respect to the Project and as more fully described in Exhibit B attached hereto and made a part hereof. The Project shall be deemed to qualify as "Affordable Housing" for purposes of Chapter 16-18 of the Municipal Code of Chicago. Section 2-44-090 of the Municipal Code of Chicago shall not apply to the Project or the City Land.

SECTION 19. The Mayor, the Comptroller, the City Clerk, the Authorized Officer, and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this ordinance.

SECTION 20. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 21. This ordinance shall be effective as of the date of its passage and approval.

Exhibits "A", "B", "C", "D" and "E" referred to in this ordinance read as follows:

Exhibit "A".
(To Ordinance)

Borrower: Rosa Parks Limited Partnership, an Illinois limited partnership (the "Borrower") of which BRC Affiliate, Inc., an Illinois not-for-profit corporation (which is an affiliate of Bickerdike Redéveloppement Corporation, an Illinois not-for-profit corporation ("Bickerdike")) is the sole general partner (the "General Partner") and others to be hereafter selected as the limited partners, and/or Bickerdike, which will then loan the proceeds of the Loan to the Borrower for use in connection with the Project.

Project: Construction of buildings on the Property containing an aggregate of approximately 94 dwelling units, comprised of one-, two-, three- and four-bedroom units for low- and moderate-income families.

Loan:

Source: HOME Program/Corporate Funds/Program Income, Multi-Program Funds and/or A.H.O. Funds.

Amount: Not to exceed \$7,152,474.

Term: Not to exceed 42 years.

Interest: 0% per annum.

Security: Non-recourse loan; mortgage on the Property junior to the hereinafter defined Harris Mortgage (the "City Mortgage").

4

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Doc#: 0824145128 Fee: \$214.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 08/28/2008 05:14 PM Pg: 1 of 74

211697

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

ROSA PARKS APARTMENTS REDEVELOPMENT AGREEMENT

This Rosa Parks Apartments Redevelopment Agreement (this **Agreement**) is made as of this 07th day of Aug, 2008, by and between the City of Chicago, an Illinois municipal corporation (the **City**), through its Department of Planning and Development (**DPD**), Rosa Parks Limited Partnership, an Illinois limited partnership (the **Partnership**) and Bickerdike Redevelopment Corporation, an Illinois not-for-profit corporation (**Bickerdike**, **Bickerdike** and the **Partnership** shall be collectively referred to herein as the **Developer**).

RECITALS

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

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to

DONE AT CUSTOMER'S REQUEST

time (the **Act**"), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the **City Council**) adopted the following ordinances on February 27, 2002: (1) An Ordinance of the City of Chicago, Illinois. Approving a Redevelopment Plan for the Chicago/Central Park Redevelopment Project Area"; (2) An Ordinance of the City of Chicago, Illinois, Designating the Chicago/Central Park Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) An Ordinance of the City of Chicago, Illinois, Adopting Tax Increment Allocation Financing for the Chicago/Central Park Redevelopment Project Area" (the **TIF Adoption Ordinance**) (items(1)-(3) collectively referred to herein as the **TIF Ordinances**"). The redevelopment project area referred to above (the **Redevelopment Area**) is legally described in **Exhibit A** hereto.

D. The Project: The City's Department of Housing ("DOH") has preliminarily reviewed and approved the making of a loan in an aggregate amount not to exceed [\$7,152,474] to the Partnership, the General Partner of which is BRC Affiliate, Inc., an Illinois not-for-profit corporation and an affiliate of Bickerdike. Bickerdike has acquired a parcel of real property located within the Chicago/Central Park Redevelopment Area, which is legally described on **Exhibit B** (the "**Developer Parcel**"). Bickerdike will purchase from the City for the price of \$1.00 per parcel the additional real property legally described on **Exhibit B**, which is also located within the Chicago/Central Park Redevelopment Area (the "**City Parcels,**" and **together with the Developer Parcel, the "Property"**). All of the Property is currently vacant. On the Closing Date, Bickerdike will convey the Property to the Developer.

Within the time frames set forth in **Section 3.01** hereof, the Developer will commence and complete construction of an 94-unit development to be known as "Rosa Parks Apartments" that will consist of six flats and three and four-story buildings scattered over eight sites between Kedzie on the east, Drake on the west, Huron on the north and Franklin on the south. The 94 rental units will consist of eight one-bedroom apartments, 36 two-bedroom apartments, 45 three-bedroom apartments and five four-bedroom apartments. All of the units will be affordable to households earning sixty percent (60%) or less of the Chicago-area median income, unless the Project (as defined below) becomes subject to more restrictive affordability covenants. The development will include approximately six Section 504 accessible units, 15 Type A adaptable units and 39 Type B visitable units to accommodate people with disabilities. The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement. But for the Developer's execution of this Agreement, the City would be unwilling to convey any portion of the Property or provide any City Funds or other City financing for the Project. The development and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on **Exhibit C**) are collectively referred to herein as the "**Project.**"

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the Chicago/Central Park Tax Increment Financing Redevelopment Plan and Project, (the "**Redevelopment Plan**") attached hereto as **Exhibit D**.

F. City Financing: The City agrees to use, in the amounts set forth in **Section 4.03** hereof, Incremental Taxes (as defined below), to pay for or reimburse the Developer for the

costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement, and the proceeds of the City Note, as defined below.

G. Prior Obligations: Pursuant to an ordinance adopted by the City Council on March 10, 2004, the City issued, on December 10, 2004, a City of Chicago Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project Area), Taxable Series 2004 in the aggregate principal amount of \$1,500,000, as a means of financing certain redevelopment project costs (as defined in the Act) under the City's Neighborhood Improvement Fund Program (the "NIF Note"). Additionally, pursuant to the Modern Schools Across Chicago Bond Ordinance adopted by the City Council on December 13, 2006, as may be amended or supplemented, the City has issued one or more series of general obligation bonds (the "Modern Schools Across Chicago Bonds") as a means of financing certain redevelopment project costs (as defined in the Act) incurred pursuant to the Redevelopment Plan, including but not limited to the construction and/or rehabilitation of a public school or schools located in the Redevelopment Area and/or a "redevelopment project area" under Section 3(p) of the Act that is either contiguous to, or is separated only by a public right of way from the Redevelopment Area pursuant to Section 4(q) of the Act and Section VII(C) of the Redevelopment Plan. The City may issue additional series of Modern Schools Across Chicago Bonds. It is the City's intention to pay scheduled principal and interest on the NIF Note and the Modern Schools Across Chicago Bonds, (collectively, the "**Prior Obligations**") in whole or in part, out of Incremental Taxes (as such term is defined below), amongst other sources, pursuant to the Act.

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

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

Actual residents of the City" shall mean persons domiciled within the City.

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

Available Incremental Taxes" shall mean Incremental Taxes less Prior Obligations, as described in **Section 4.03(b)**.

Building Site" shall mean one of eight (8) sites consisting of one or more parcels of Property on which portions of the Project will be constructed, as identified on **Exhibit B** hereto.

A Certificate of Completion” shall mean the certificate of completion that the City will issue with respect to the Project pursuant to **Section 7.01** hereof.

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

A Certificate of Occupancy” shall mean the certificate of occupancy that the City will issue with respect to the Project pursuant to **Section 4.03** hereof.

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

A Chicago/Central Park TIF Fund” shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

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

A City Funds” shall mean those funds described in **Section 4.03(b)**

A City Note” shall mean the taxable note to be in the form attached hereto as **Exhibit M**, in the maximum principal amount of \$2,781,624, issued by the City to the Partnership upon the Partnership’s receipt of a Certificate of Completion. The interest rate on the City Note shall be set on the Closing Date, and shall be a fixed rate equal to (i) the rate on U.S Treasury bonds (20 year term) on such date, plus (ii) 300 basis points, but subject to an overall cap of 9.75%.

A City Parcels” shall have the meaning set forth in the Recitals hereof.

A Closing Date” shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

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

A Corporation Counsel” shall mean the City’s Office of Corporation Counsel.

A Deed” shall have the meaning set forth in **Section 3.13(b)** hereof.

A Developer Parcel” shall have the meaning set forth in the Recitals hereof.

A DOE” shall mean the City’s Department of Environment.

A Draft NFR Letter” shall mean a draft comprehensive “no further remediation” letter from the IEPA for any Building Site based on TACO Tier I residential remediation objectives, as amended or supplemented from time to time.

“Employer(s)” shall have the meaning set forth in **Section 10** hereof.

“Environmental Laws” shall mean any and all Laws relating to the regulation and protection of human health, safety, the environment and natural resources now or hereafter in effect, as amended or supplemented from time to time, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136 et seq., and all analogous state and local counterparts or equivalents, including, without limitation, the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq.

“Environmental Remediation” has the meaning set forth in **Section 11.02**.

“Equity” shall mean funds of the Developer (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount set forth in **Section 4.01** hereof, which amount may be increased pursuant to **Section 4.06** (Cost Overruns), [and which may also include amounts or fees payable to the Developer which the Developer has deferred.]

“Event of Default” shall have the meaning set forth in **Section 15** hereof.

“Final NFR Letter” shall mean a final comprehensive “no further remediation” letter from the IEPA approving the use of any Building Site for the construction, development and operation of a portion of the Project.

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

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

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

“IEPA” shall mean the Illinois Environmental Protection Agency.

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

“Indemnitees” shall mean the City, and its elected and appointed officials, employees, agents and affiliates.

“Initial Payments” shall mean the \$500,000 cash contribution and \$225,000 reimbursement paid to Bickerdike out of Incremental Taxes, as described in **Section 4.03(b)**.

“Laws” shall mean all applicable federal, state, local or other laws (including common law), statutes, codes, ordinances, rules, regulations or other requirements, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders, consent decrees or judgments.

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

“Losses” means any and all claims, demands, actions, suits, causes of action, legal or administrative proceedings, losses, damages, obligations, liabilities, executions, judgments, fines, penalties, assessments, liens, debts, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, investigation, cleanup, monitoring, remedial, removal and restoration costs, natural resource damages, property damages, and the reasonable fees and disbursements of counsel for Indemnites in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnities shall be designated a party thereto).

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

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

“Municipal Code” shall mean the Municipal Code of the City of Chicago.

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

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

“Plans and Specifications” shall mean final construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

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

“Prior Obligations” shall have the meaning set forth in the Recitals hereof.

“Project” shall have the meaning set forth in the Recitals hereof.

“Project Account” shall mean the Rosa Parks Limited Partnership Project Account, created within the Chicago/Central Park TIF Fund for the payment of TIF-Funded Improvements.

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

“Property” shall have the meaning set forth in the Recitals hereof.

“Purchase Price” shall have the meaning set forth in **Section 3.13(a)**.

“RACR” shall mean a Remedial Action Completion Report submitted to the IEPA in connection with a request for a Final NFR Letter.

“RAP” shall mean the Remedial Action Plan submitted to the IEPA in connection with a request for a Draft NFR Letter, as amended or supplemented from time to time.

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

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

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

“Requisition Form” shall mean the document, in the form attached hereto as **Exhibit L**, to be delivered by the Developer to DPD pursuant to **Section 4.04** of this Agreement.

“ROR” means the Remediation Objectives Report submitted to the IEPA in connection with a request for a Draft NFR Letter, as amended or supplemented from time to time.

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

“SRP” means the IEPA’s Site Remediation Program as set forth in Title XVII of the Illinois Environmental Protection Act, 415 ILCS 5/58 et seq., and the regulations promulgated thereunder.

“Survey” shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey for each Building Site dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Building Site is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Building Site in connection with the construction of the Project and related improvements as required by the City or lender(s) providing Lender Financing).

“Term of the Agreement” shall mean the period of time commencing on the Closing Date and ending on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2025).

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

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

“Title Company” shall mean Title Services, Inc.

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

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

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

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Project, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of **Section 18.17** hereof: (i) commence construction within 30 days of the Closing of this Agreement; and (ii) complete construction and conduct business operations therein no later than 26 months after such commencement of construction.

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

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than Twenty-Seven Million, One Hundred Forty-Seven Thousand, One Hundred Eighty-Four Dollars (\$27,147,184.) The Developer hereby certifies to the City that (a) the City Funds, together with Lender

Financing and Equity described in **Section 4.02** hereof, shall be sufficient to complete the Project and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to **Section 3.04** hereof.

3.04 Change Orders. Any Change Orders that individually or in the aggregate (a) permanently increase or decrease the Project Budget by more than ten percent (10%), (b) reduce the net rentable square footage of the Project by more than five percent (5%), (c) change the basic uses of the Project or (d) result in a delay in the completion of the Project, must be submitted by the Developer to DOH for DOH's prior written approval. The Developer shall not authorize or permit the performance of any work relating to any Change Order described in the preceding clauses (a), (b), (c) or (d) or the furnishing of materials in connection therewith prior to the receipt by the Developer of DOH's written approval. The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer. Notwithstanding anything to the contrary in this **Section 3.04**, Change Orders costing less than Twenty-Five Thousand Dollars (\$25,000.00) each, to an aggregate amount of One Hundred Thousand Dollars (\$100,000.00), do not require DOH's prior written approval as set forth in this **Section 3.04**, but DOH shall be notified in writing of all such Change Orders prior to the implementation thereof and the Developer, in connection with such notice, shall identify to DOH the source of funding therefor.

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

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

3.07 Progress Reports and Survey Updates. The Developer shall provide DOH with written monthly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DOH's written approval pursuant to **Section 3.04**). At completion, the Developer shall provide three (3) copies of an updated Survey for any Building Site to DPD upon the request of DPD or any lender providing Lender Financing, reflecting improvements made to the Building Site.

3.08 Inspecting Agent or Architect. An independent agent or architect (other than the Developer's architect) approved by DOH shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect shall

perform periodic inspections with respect to the Project, providing certifications with respect thereto to DOH, prior to requests for disbursement for costs related to the Project. At the Developer's option, the inspecting architect may be the inspecting architect engaged by any lender providing Lender Financing for the Project, provided that said architect is an independent architect licensed by the State of Illinois, or an inspecting agent of DOH.

3.09 Barricades. Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable Laws. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

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

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

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

3.13. Conveyance of City Parcels. The following provisions shall govern the City's conveyance of the City Parcels to the Developer:

(a) Purchase Price. The City hereby agrees to sell, and Bickerdike hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the City Parcels, for \$1.00 per parcel (the "Purchase Price"), which is to be paid to the City on the Closing Date in cash or by certified or cashier's check or wire transfer of immediately available funds. Bickerdike shall pay all escrow fees and other title insurance fees, premiums and closing costs. On the Closing Date, following the conveyance of the City Parcels to Bickerdike, Bickerdike shall convey the City Parcels to the Partnership. The Developer acknowledges and agrees that the Purchase Price is approximately \$1,712,000 less than the appraised fair market value of the City Parcels and that the City has only agreed to sell the City Parcels to Bickerdike for the Purchase Price because the Developer has agreed to execute this Agreement and comply with its terms and conditions.

(b) Form of Deed. The City shall convey the City Parcels to Bickerdike by quitclaim deed (the "Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the deed, the following:

- (i) the Redevelopment Plan;
- (ii) the standard exceptions in an ALTA title insurance policy;

- (iii) all general real estate taxes and any special assessments or other taxes;
- (iv) all easements, encroachments, covenants and restrictions of record and not shown of record;
- (v) such other title defects as may exist; and
- (vi) any and all exceptions caused by the acts of the Developer or its agents.

(c) Title. The Developer acknowledges that the City has delivered to the Developer title insurance commitments for the City Parcels, showing the City in title to the City Parcels. The Developer shall be solely responsible for and shall pay all costs associated with updating such title commitments (including all search, continuation and later-date fees), and obtaining the Title Policy. The City shall have no obligation to cure title defects; provided, however, if there are exceptions for general real estate tax liens attributable to taxes due and payable prior to the Closing Date with respect to the City Parcels, the City shall submit to the county a tax abatement letter and/or file a motion to vacate a tax sale in the Circuit Court of Cook County, seeking the exemption or waiver of such pre-closing tax liabilities, but shall have no further duties with respect to any such taxes.

(d) The Land Closing. The conveyance of the City Parcels to Bickerdike, and from Bickerdike to the Partnership, shall take place on the Closing Date at the downtown offices of the Title Company or such other place as the parties may mutually agree upon in writing; provided, however, in no event shall the closing of the land sale occur unless the Developer has satisfied all conditions precedent set forth in this Agreement, unless DPD, in its sole discretion, waives such conditions. On or before the Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement. The City will not provide a gap undertaking.

(e) Recording Costs. The Developer shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the City Parcels to Bickerdike, and from Bickerdike to the Partnership.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$27,147,184 to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to <u>Sections 4.03(b) and 4.06</u>) (includes loans from Bickerdike to the Partnership of approx. \$754,720 in donation tax credit proceeds, \$712,974 in Chicago Low-Income Housing Trust proceeds, and \$783,670) and approximately \$12,523,748 of LIHTC equity	\$14,775,112
Lender Financing Harris Bank and Illinois Housing Development Authority	\$4,494,598

Estimated City Funds (subject to Section 4.03)	
Additional City financing (including approx. \$5,693,052 in HOME or CDBG funds, and	
Approximately \$1,459,422 in Affordable Housing Opportunity funds)	\$7,152,474
ESTIMATED TOTAL	\$27,147,184

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

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. **Exhibit C** sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to **Sections 4.03(b)**), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this **Section 4.03** and **Section 5** hereof, the City hereby agrees to provide City funds in an amount not to exceed \$3,506,624 (the "City Funds"). Of the \$3,506,624, at Closing, \$500,000 will be contributed by the City to Bickerdike in the form of cash. Upon receipt, Bickerdike will make a capital contribution or loan of these cash funds to the Partnership. Upon the issuance of a Certificate of Occupancy, a payment in an amount not to exceed \$225,000 will be made to reimburse Bickerdike for 50% of the construction costs associated with the Project (the \$500,000 cash contribution and the \$225,000 contribution at Certificate of Occupancy are collectively referred to as the "**Initial Payments**"). Upon receipt, Bickerdike will also make a capital contribution or loan of these funds to the Partnership. The Initial Payments will be made from accumulated Incremental Taxes with respect to all property within the Redevelopment Area.

In addition, the City hereby agrees to pay the remaining City Funds through the issuance of the City Note in the amount of \$2,781,624. The City shall issue the City Note to the Partnership on the issuance of the Certificate of Completion. The principal amount of the City Note shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by the Partnership and are to be reimbursed by the City through payments of principal and interest on the City Note, subject to the provisions hereof; provided, however, that the maximum principal amount of the City Note shall be an amount not to exceed the lesser of \$2,781,624 or 10.21% of the actual total Project costs; and provided, however, that payments under the City Note are subject to the amount of Available Incremental Taxes (as defined below) deposited into the Chicago/Central Park TIF Fund being sufficient for such payments.

The City shall create within the general account of the Chicago/Central Park TIF Fund, a special subaccount to be known as the "Rosa Parks Limited Partnership Project Account (the "**Project Account**"). Annually, commencing in the year in which the Certificate of Completion is issued pursuant to **Section 7.01** (and each year thereafter during the Term of the Agreement) and after scheduled payment of principal and interest on the Modern Schools Across Chicago

Bonds out of Incremental Taxes for each year, the City shall designate and deposit into the Project Account an amount equal to the amount reflected in the debt service schedule for such year (such amount, the "Available Incremental Taxes"). The debt service schedule shall be attached to the City Note at closing.

Subject to the terms and conditions of this Agreement, and in accordance with the above mentioned debt service schedule, the City shall use the funds in the Project Account to make payments with respect to the City Note until the City Note has been fully repaid. In the event that an event of default under this Agreement entitles the City permanently to terminate further payments of City Funds with respect to the City Note, the City may in its discretion, return the amounts in the Project Account established above that would otherwise be allocated to the payment of the City Note to the TIF Fund of the City and the Project Account shall be closed. The City retains the right to supplement, amend or refund the Modern Schools Across Chicago Bonds, provided that the City shall not issue any such Bonds in an amount or upon terms which, based upon the City's projections and uses of Incremental Taxes at the time of such Bond issuance, would result in the amount of Available Incremental Taxes being insufficient to fund fully the debt service requirements set forth in the debt service schedule to the City Note.

4.04 Requisition Form. (a) Prior to each January 1 (or such other date as the parties may agree to) beginning in the year after the issuance of the Certificate of Completion and continuing throughout the earlier of (i) the Term of the Agreement or (ii) the date that the Developer has been reimbursed in full under this Agreement, the Developer shall provide DPD with a Requisition Form, along with the documentation described therein. Requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per calendar year (or as otherwise permitted by DPD). Payment shall be made on the earlier of (i) February 1, or (ii) two months from the receipt of a completed Requisition Form for the prior calendar year. On each December 1 (or such other date as may be acceptable to the parties), beginning in 2010 and continuing throughout the Term of the Agreement, the Developer shall meet with DPD at the request of DPD to discuss the Requisition Form(s) previously delivered. If requested by the holder or collateral assignee of the City Note, such holder or assignee shall be allowed to attend such meeting.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

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

(b) City Fee. Intentionally Omitted.

(c) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent

of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed \$25,000 or \$100,000 in the aggregate, may be made without the prior written consent of DPD.

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

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

(a) the total amount of the request for Certificate of Expenditure represents the actual cost of the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees, or the actual amount payable to (or paid to) a licensed architect who has performed work on the Project;

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

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

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

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

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

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

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

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

4.09 Cost of Issuance. The Developer shall be responsible for paying all costs relating to the issuance of the City Note, including costs relating to the opinion described in Section 5.09 hereof.

SECTION 5. CONDITIONS PRECEDENT

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

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

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

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

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

5.05 Acquisition and Title. The Developer has furnished the City with a pro forma Title Policy for the Property, certified by the Title Company, showing the Developer as the named

insured, along with copies of all Schedule B title exception documents. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on **Exhibit G** hereto and evidences the recording of this Agreement pursuant to the provisions of **Section 8.18** hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including, but not limited to, an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. The Developer has provided to DPD, on or prior to the Closing Date, documentation related to the purchase of the Developer Parcel.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches under (a) the Developer's name and (b) BRC Affiliate, Inc., as follows:

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

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

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

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

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

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

5.11 Financial Statements. The Developer has provided Financial Statements to DPD for its most recent fiscal year, and audited or unaudited interim financial statements.

5.12 Documentation. The Developer has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters.

5.13 Environmental. The Developer has provided DPD with copies of all environmental reports completed with respect to the Property, and has further provided the City with a letter from the environmental engineer(s) who completed such reports, authorizing the City to rely on such reports. If required under **Section 11.02**, the Developer has taken all necessary and proper steps to obtain a Draft NFR Letter for the Property or any portion thereof, including, without limitation, preparing and submitting any reports required by the IEPA. The City agrees to reasonably cooperate with the Developer in Developer's efforts to satisfy this condition, at no cost to the City.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles of Incorporation and Certificate of Limited Partnership, respectively, containing the original certification of the Secretary of State of its state of organization or incorporation; certificates of good standing from the Secretary of State of its state of organization or incorporation and all other states in which the Developer is qualified to do business; an incumbency certificate in such form and substance as the Corporation Counsel may require; partnership agreement or by-laws, as applicable; and such other corporate documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

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

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) Except as set forth in **Section 6.01(b)** below, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City of Chicago and shall submit all bids received to DOH for its inspection and written approval. (i) For the TIF-Funded Improvements, the Developer has selected Humboldt Construction Company as the General Contractor. The Developer shall submit or has submitted copies of the Construction Contract to DOH in accordance with **Section 6.02** below. (ii) Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DOH within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DOH and all requisite permits have been obtained.

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

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

6.03 Performance and Payment Bonds. Prior to commencement of construction of any portion of the Project, the Developer shall require that the General Contractor be bonded for its performance and payment by sureties having an AA rating or better using American Institute of Architect's Form No. A311 or its equivalent. Prior to the commencement of any portion of the Project which includes work on the public way, the Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as Exhibit P hereto. The City shall be named as obligee or co-obligee on any such bonds.

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

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

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction. Upon completion of the construction of the Project in accordance with the terms of this Agreement, and upon the Developer's written request, DPD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. DPD shall respond to the Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be

construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at **Sections 8.02, 8.06, 8.19, 8.20** as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in **Section 8.02** shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to **Section 18.15** of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

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

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

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

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

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER.

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

(a) the Partnership is an Illinois limited partnership, and Bickerdike is an Illinois not-for-profit corporation, and both are duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of their activities or properties, such qualification or license is required;

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

(c) the execution, delivery and performance by the Partnership or Bickerdike of this Agreement has been duly authorized by all necessary action, and does not and will not violate

its Certificate of Limited Partnership or Articles of Incorporation, respectively, or partnership agreement or by-laws, as applicable, as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;

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

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

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

(g) the Developer has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project (other than the Certificate of Occupancy which the City will issue to the Partnership pursuant to **Section 4.03(b)**);

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

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

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

(k) the Developer has not incurred, and, prior to the issuance of a Certificate of Completion, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted

Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget;

(l) the Project does not and will not violate: (i) any applicable Laws, including, without limitation, any zoning and building codes and Environmental Laws; or (ii) any building permit, restriction of record or other agreement affecting the Property;

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

(n) neither the Developer nor any affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "affiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

8.02 Covenant to Redevelop. Upon DPD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in **Sections 3.02** and **3.03** hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all Laws applicable to the Project, the Property and/or the Developer, including, without limitation, all Environmental Laws. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

8.03 Redevelopment Plan. The Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan.

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

8.05 Other Bonds. The Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with,

or provide a source of funds for the payment for, the TIF-Funded Improvements (the "Bonds"); provided, that the proceeds of bonds issued on a tax-exempt basis cannot be used as a source of City Funds or to repay the City Note; and provided, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

8.06 Covenant Not to Sell Property. The Developer agrees not to sell, transfer, convey or otherwise dispose of all or substantially all of the Project prior to the fifth anniversary of the date of the issuance of the Certificate of Completion, without the consent of DPD. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in **Section 10** hereof. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of **Sections 8.09, 10.02 and 10.03** of this Agreement. Such reports shall be delivered to the City when the Project is 25%, 50%, 70% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which the Developer shall correct any shortfall.

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

8.09 Prevailing Wage. The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this **Section 8.09**.

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

8.11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, the Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or

employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Developer's business, the Property or any other property in the Redevelopment Area.

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

8.13 Financial Statements. The Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year ended December 31 and each December 31 thereafter for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

8.15 Non-Governmental Charges.

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

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

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

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

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

8.17 Compliance with Laws. To the best of the Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable Laws pertaining to or affecting the Project and the Property, including without limitation all Environmental Laws. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the Office of the Recorder of Deeds of Cook County. [This Agreement shall be recorded prior to any mortgage made in connection with Lender Financing.] The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions; Governmental Charges.

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

(b) Right to Contest. The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

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

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

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

8.20 Affordable Housing Covenant. The Developer agrees and covenants to the City that, prior to any foreclosure of the Property by a lender providing Lender Financing, the provisions of that certain Regulatory Agreement executed by the Developer and DOH as of the date hereof shall govern the terms of the Developer's obligation to provide affordable housing. Following foreclosure, if any, and from the date of such foreclosure through the Term of the Agreement, the following provisions shall govern the terms of the obligation to provide affordable housing under this Agreement:

(a) The Project shall be operated and maintained solely as residential rental housing;

(b) All of the units in the Project shall be available for occupancy to and be occupied solely by one or more Families qualifying as Low Income Families (as defined below) upon initial occupancy; and

(c) All of the units in the Project have monthly rents paid by the tenant not in excess of thirty percent (30%) of the maximum allowable income for a Low Income Family (with the applicable Family size for such units determined in accordance with the rules specified in Section 42(g)(2) of the Internal Revenue Code of 1986, as amended); provided, however, that for any unit occupied by a Family (as defined below) that no longer qualifies as a Low Income Family due to an increase in such Family's income since the date of its initial occupancy of such unit, the maximum monthly rent for such unit shall not exceed thirty percent (30%) of such Family's monthly income.

(d) As used in this Section 8.20, the following terms has the following meanings:

(i) "Family" shall mean one or more individuals, whether or not related by blood or marriage; and

(ii) "Low Income Families" shall mean Families whose annual income does not exceed sixty percent (60%) of the Chicago-area median income, adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition.

(e) The covenants set forth in this Section 8.20 shall run with the land and be binding upon any transferee.

(f) The City and the Developer may enter into a separate agreement to implement the provisions of this Section 8.20.]

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

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

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

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military

discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

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

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

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

(f) Failure to comply with the employment obligations described in this **Section 10.01** shall be a basis for the City to pursue remedies under the provisions of **Section 15.02** hereof.

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

The Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in

accordance with standards and procedures developed by the Chief Procurement Officer of the City.

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

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

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

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

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

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

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

performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

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

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the AProcurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the AConstruction Program," and collectively with the Procurement Program, the A~~MBE/WBE~~ Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit H-2 hereto) shall be expended for contract participation by MBEs and by WBEs:

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

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

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section

10.03. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

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

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

(f) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this **Section 10.03** shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

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

SECTION 11. ENVIRONMENTAL MATTERS

11.01 The Developer hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, [the Bond Ordinance] and the Redevelopment Plan. The Developer agrees to deliver to the City a copy of each report prepared by or for the Developer regarding the environmental condition of the Property.

11.02 Environmental Remediation. Notwithstanding the foregoing or any other provision to the contrary contained in this Agreement, if DOE determines that any Building Site requires further investigation, the Developer shall perform a Phase II investigation of such Building Site. If the Phase II report discloses contamination, the Developer shall enroll the Building Site in the SRP and take all necessary and proper steps to obtain a Draft NFR Letter for such Building Site. The Developer acknowledges and agrees that it may not commence construction on the Building Site until the IEPA issues, and DOE approves, a Draft NFR Letter. After DOE approves the Draft NFR Letter, the Developer covenants and agrees to complete all investigation, sampling, monitoring, testing, removal, response, disposal, storage, remediation, treatment and other activities necessary to obtain a Final NFR Letter for the Building Site in accordance with the requirements of the IEPA and all applicable Laws, including, without limitation, all applicable Environmental Laws ("Environmental Remediation"). If Environmental Remediation is required on any Building Site, the Developer acknowledges and agrees that the City will not issue a Certificate until the IEPA has issued, and the City has approved, a Final NFR Letter for such Building Site, which approval shall not be unreasonably withheld. The City shall have the right to approve the ROR, RAP and RACR for each Building Site enrolled in the SRP and any changes or modifications thereto, which approval shall not be unreasonably withheld. The Developer shall bear sole responsibility for all aspects of the Environmental Remediation and any other investigative and cleanup costs associated with the Property and any improvements, facilities or operations located or formerly located thereon, including, without limitation, the removal and disposal of all Hazardous Substances, debris and other materials excavated during the performance of the Environmental Remediation. The Developer shall promptly transmit to the City copies of any written communications received from the IEPA or other regulatory agencies with respect to the Environmental Remediation.

11.03 "AS IS" SALE. THE DEVELOPER ACKNOWLEDGES THAT THEY HAVE HAD ADEQUATE OPPORTUNITY TO INSPECT AND EVALUATE THE STRUCTURAL, PHYSICAL AND ENVIRONMENTAL CONDITION AND RISKS OF THE CITY PARCELS AND ACCEPT THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE CITY PARCELS. THE DEVELOPER AGREES TO ACCEPT THE CITY PARCELS IN THEIR "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT CLOSING WITHOUT ANY COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, AS TO THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE CITY PARCELS OR THE SUITABILITY OF THE CITY PARCELS FOR ANY PURPOSE WHATSOEVER. THE DEVELOPER ACKNOWLEDGES THAT THEY ARE RELYING SOLELY UPON THEIR OWN INSPECTION AND OTHER DUE DILIGENCE ACTIVITIES AND NOT UPON ANY INFORMATION (INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL STUDIES OR REPORTS OF ANY KIND) PROVIDED BY OR ON BEHALF

OF THE CITY OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. THE DEVELOPER AGREES THAT IT IS THEIR SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM ANY ENVIRONMENTAL REMEDIATION AND TAKE SUCH OTHER ACTION AS IS NECESSARY TO PUT THE CITY PARCELS IN A CONDITION WHICH IS SUITABLE FOR THEIR INTENDED USE.

11.04 Release and Indemnification. Without limiting any other provisions hereof, the Developer, for themselves and their successors and assigns, hereby completely and forever waives, releases and discharges, and agrees to indemnify, defend and hold the Indemnitees harmless, from and against any and all Losses, whether direct or indirect, known or unknown, foreseen or unforeseen, now existing or occurring after the Closing Date, and regardless of whether caused by or within the control of the Developer, based upon, arising out of, or related to: (a) Developer's failure to perform the Environmental Remediation (if applicable); (b) any environmental contamination, pollution or hazards associated with all or any portion of the Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, the presence or suspected presence of Hazardous Substances in, on, under or about the Property, or the escape, seepage, leakage, spillage, release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Substances associated with all or any portion of the Property, or threatened release, emission or discharge of Hazardous Substances from all or any portion of the Property; (c) the structural, physical or environmental condition of the Property; and (d) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any Losses the City may suffer or incur as a potentially responsible party under CERCLA.

11.05 Survival. This Section 11 shall survive the termination of this Agreement.

SECTION 12. INSURANCE

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

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

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

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

(iii) All Risk Property

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

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

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$ 2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability (Primary and Umbrella)

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

(iv) Railroad Protective Liability

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

(v) All Risk /Builders Risk

When Developer undertakes any construction, including improvements, betterments, and/or repairs, the Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and

fixtures that are or will be part of the project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(vi) Professional Liability

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

(vii) Valuable Papers

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

(viii) Contractors Pollution Liability

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

(c) Post Construction:

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

(d) Other Requirements:

The Developer must furnish the City of Chicago, Department of Planning Services, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Developer must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all

Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Developer is not a waiver by the City of any requirements for the Developer to obtain and maintain the specified coverages. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and/or terminate agreement until proper evidence of insurance is provided.

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

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

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

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

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

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

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

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

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

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

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Developer agrees to indemnify, pay, defend and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an "Indemnitee," and collectively the "Indemnitees") harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs,

expenses and disbursements of any kind or nature whatsoever (and including without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnities shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating or arising out of:

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

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

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

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

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

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

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

SECTION 15. DEFAULT AND REMEDIES

15.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 15.03, shall constitute an "Event of Default" by the Developer hereunder; provided, however, that after the issuance of the Certificate of Completion, any event solely involving Bickerdike which would be an event of default, will not constitute an Event of Default hereunder:

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

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

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

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

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

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

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

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

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

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

(k) prior to the expiration of the Term of the Agreement and without the prior written consent of the City, (i) the sale or transfer of an ownership interest in the Developer, except as allowed under the City loan documents, or except to the extent that the syndicator of low-income tax credits may acquire or sell an interest in the Project and/or the Developer, but only to one of its affiliates, or (ii) a change in the general partner of the Developer;

For purposes of **Sections 15.01(i)** and **15.01(j)** hereof, a person with a material interest in the Developer shall be one owning in excess of [ten (10%)] of the Developer's partnership interests.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, may suspend payments due on the City Note or terminate the City Note and receive reimbursement of any payments made on the City Note. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

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

SECTION 16. MORTGAGING OF THE PROJECT

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

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with **Section 18.15** hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) In the event that any mortgagee shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with **Section 18.15** hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "the Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of the Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, in which case the Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of the Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to the Developer of a Certificate of Completion pursuant to **Section 7** hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD, pursuant to Section 8.06.

SECTION 17. NOTICE

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

- If to the City: City of Chicago
Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, IL 60602
Attention: Commissioner
- With Copies To: City of Chicago
Department of Law
Finance and Economic Development Division
121 North LaSalle Street, Room 600
Chicago, IL 60602
- If to the Developer: Bickerdike Redevelopment Corporation
2550 West North Avenue
Chicago, Illinois 60647
Attention: Executive Director
- With Copies To: Applegate & Thorne-Thomsen P.C.
322 South Green Street, Suite 400
Chicago, Illinois 60607
Attention: Nick Brunick, Esq.

And

Harris, N.A.
111 West Monroe, Floor 2E
Chicago, Illinois 60606
Attention: Katherine Mazzocco

And

National Equity Fund, Inc.
120 South Riverside Plaza, 15th Floor
Chicago, Illinois 60606
Attention: Legal Department

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

sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

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

18.02 Entire Agreement. This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

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

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

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

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

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

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

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

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

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

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

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

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

18.15 Assignment. The Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City; provided, however, that nothing contained in this **Section 18.15** shall be deemed to require the City's consent to the assignment of the City Note to a lender whose financing of the Project was contingent upon such assignment. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to **Sections 8.19** (Real Estate Provisions) and **8.21** (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

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

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

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

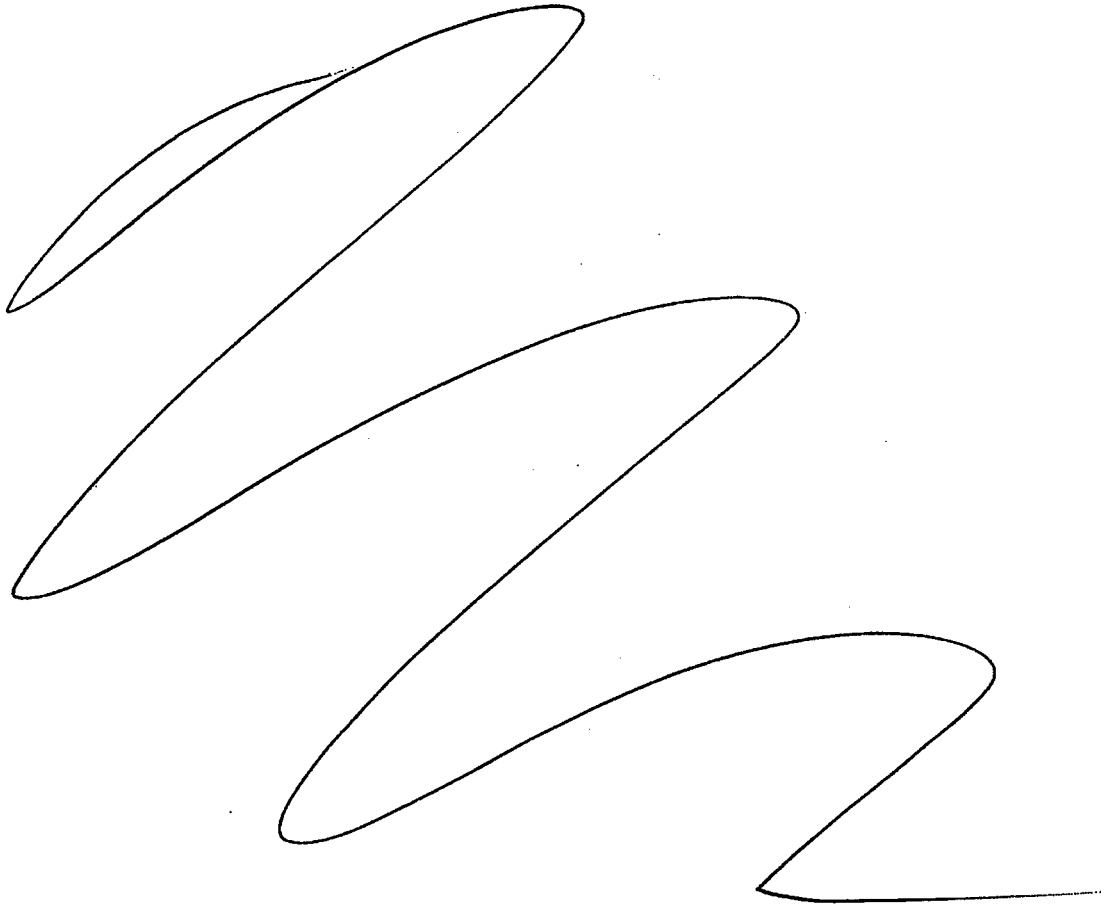
18.20 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party may hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

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

18.22 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any

discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.


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

ROSA PARKS LIMITED PARTNERSHIP,
An Illinois limited partnership

By: BRC Affiliate, Inc., an Illinois not-for-profit corporation and its sole General Partner

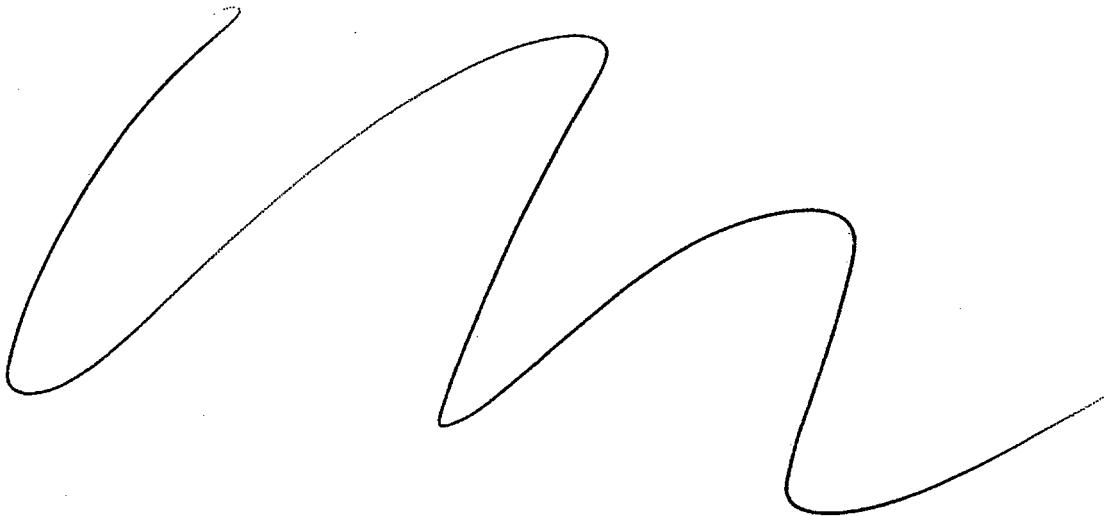
By: 
Name: Joy Aruquete
Its: Secretary/Treasurer

BICKERDIKE REDEVELOPMENT CORPORATION,
An Illinois not-for-profit corporation

By: 
Name: Joy Aruquete
Its: Executive Director

CITY OF CHICAGO

By: _____
Arnold L. Randall,
Commissioner, Department
of Planning and Development



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

ROSA PARKS LIMITED PARTNERSHIP,
An Illinois limited partnership

By: BRC Affiliate, Inc., an Illinois not-for-profit corporation and its sole General Partner

By: _____

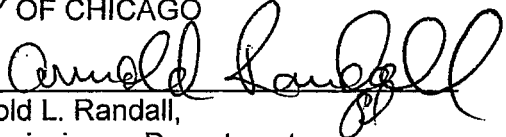
Its: _____

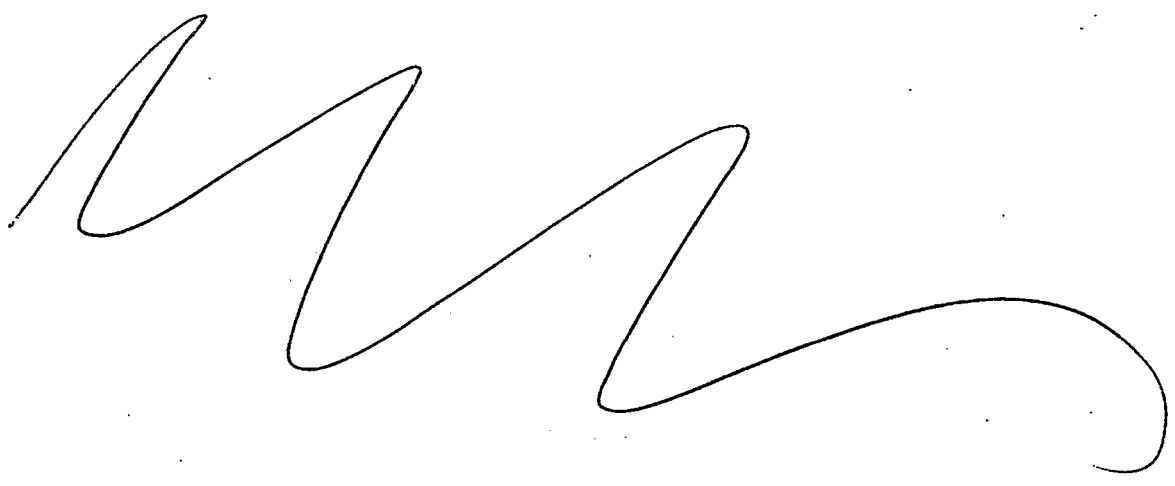
BICKERDIKE REDEVELOPMENT CORPORATION,
An Illinois not-for-profit corporation

By: _____

Its: _____

CITY OF CHICAGO

By: 
Arnold L. Randall,
Commissioner, Department
of Planning and Development



STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

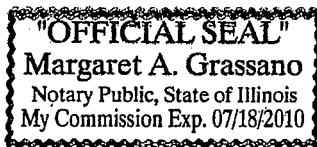
I, Margaret A. Grassano, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that **Joy Arguete**, personally known to me to be the **Secretary/Treasurer** of BRC Affiliate, Inc., an Illinois not-for-profit corporation, the General Partner of Rosa Parks Limited Partnership, an Illinois limited partnership (the "Partnership"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Partners of the Partnership, as his/her free and voluntary act and as the free and voluntary act of the Partnership, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 28th day of August,
2008.

Margaret A. Grassano
Notary Public

My Commission Expires 7-18-2010

(SEAL)



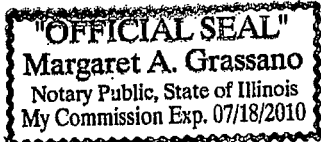
[Handwritten signature]

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Margaret A. Grassano, a notary public in and for the said County, in the State aforesaid DO HEREBY CERTIFY that **Joy Aruguete**, personally known to me to be the **Executive Director** of Bickerdike Redevelopment Corporation, an Illinois not-for-profit corporation ("Bickerdike"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Board of Directors of Bickerdike, as his/her free and voluntary act and as the free and voluntary act of Bickerdike, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 28th day of August, 2008.

Margaret A. Grassano
Notary Public



(SEAL)

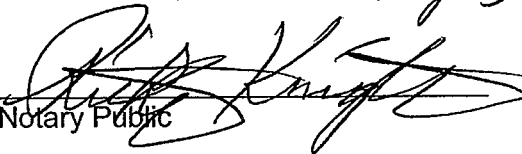
My Commission Expires 7-18-2010



STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

GIVEN under my hand and official seal this 28th day of August, 2008.


Notary Public

My Commission Expires _____

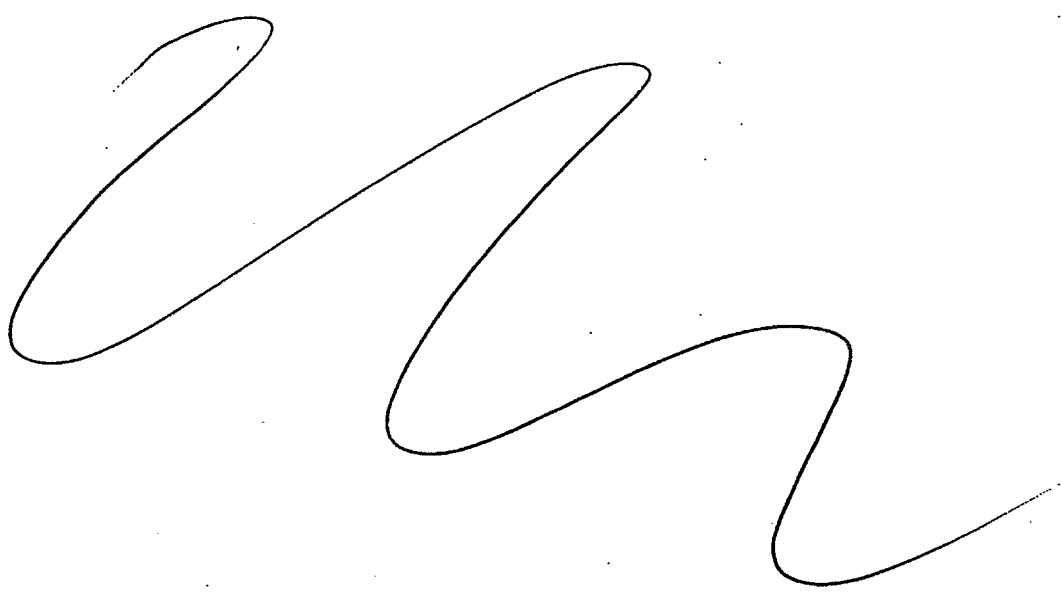
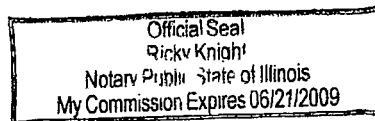
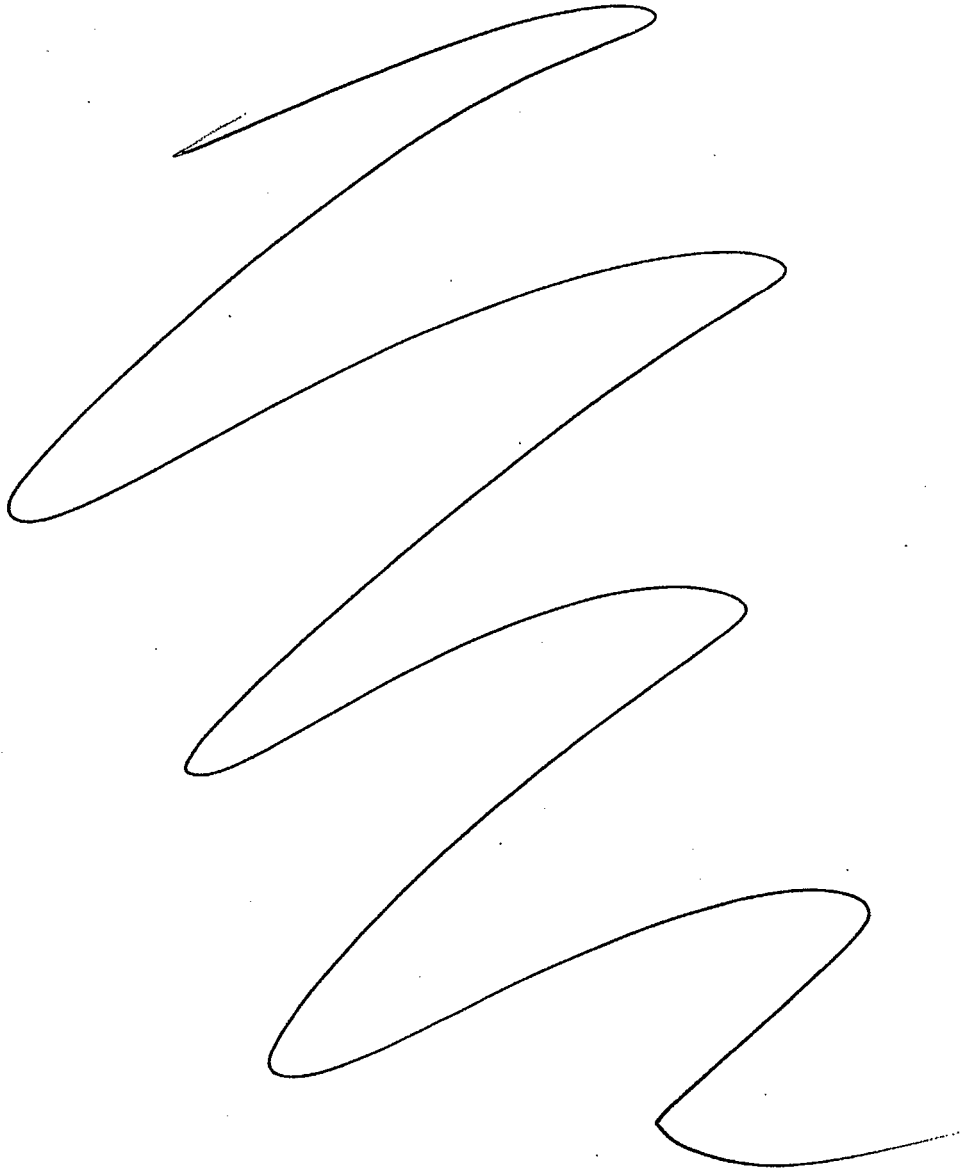


EXHIBIT A

REDEVELOPMENT AREA

To be attached at Closing.



Section 5/11-74.4-3(a) of the Act;

d. if the Area is **qualified** as a "conservation area", the combination of the factors necessary to **qualify** the Area as a redevelopment project area on that basis is detrimental to the public health, safety, morals or welfare, and the Area may become a blighted area.

SECTION 4. Area Designated. The Area is hereby designated as a redevelopment project area pursuant to Section 5/ 11-74.4-4 of the Act.

SECTION 5. Invalidity Of Any Section. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

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

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

[Exhibit "C" referred to in this ordinance printed
on page 80014 of this Journal.]

Exhibits "A" and "B" referred to in this ordinance read as follows:

Exhibit "A".

*Chicago/Central Park Redevelopment
Project Area Legal Description.*

All that part of Sections 2, 3 and 11 in Township 39 North, Range 13 East of the Third principal Meridian bounded and described as follows:

beginning at the point of intersection of the east line of North Keeler Avenue with the south line of West Division Street; thence east along said south line of West Division Street to the east line of Lot 40 in Block 6 in Mills and Son's Subdivision of Blocks 1, 2, 7 and 8 in the resubdivision of Blocks 1 and 2 in the

Foster Subdivision of the east half of the southeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 40 being also the west line of the alley west of North Pulaski Road; thence south along said west line of the alley west of North Pulaski Road to the south line of Lot 29 in Block 1 in Ellsworth T. Martin's Subdivision of Blocks 1 and 2 of the resubdivision of Blocks 5 and 6 in the Foster Subdivision of the east half of the southeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 29 being also the north line of the alley north of West Chicago Avenue; thence east along the easterly extension of said south line of Lot 29 in Block 1 in Ellsworth T. Martin's Subdivision to the west line of Lot 19 in said Block 1 in Ellsworth T. Martin's Subdivision, said west line of Lot 19 being also the east line of the alley west of North Pulaski Road, thence north along said east line of the alley west of North Pulaski Road to the north line of said Lot 19 in Block 1 in Ellsworth T. Martin's Subdivision; thence east along said north line of said Lot 19 in Block 1 in Ellsworth T. Martin's Subdivision to the west line of North Pulaski Road; thence north along said west line of North Pulaski Road to the westerly extension of the south line of Lot 30 in Block 7 in Thomas J. Diven's Subdivision of the west half of the southwest quarter of the southwest quarter and the east half of the northwest quarter of the southwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 30 being also the north line of the alley north of West Chicago Avenue; thence east along said westerly extension and along the north line of the alley north of West Chicago Avenue to the east line of North Harding Avenue; thence south along said east line of North Harding Avenue to the easterly extension of the north line of Lot 6 in the subdivision of Block 4 in F. Harding's Subdivision of the west half of the northwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the north line of Lot 6 in the subdivision of Block 4 in F. Harding's Subdivision, said north line of Lot 6 being also the south line of the alley south of West Chicago Avenue, to the west line of Lots 6 through 24, both inclusive, in said subdivision of Block 4 in F. Harding's Subdivision, said west line of Lots 6 through 24, inclusive, being also the east line of the alley east of North Pulaski Road; thence south along said east line of the alley east of North Pulaski Road to the easterly extension of the north line of Lots 1 through 5, inclusive, in the subdivision of Lots 25 to 29, inclusive, of Block 4 of F. Harding's Subdivision, said north line of Lots 25 to 29, inclusive, being also the south line of the alley north of West Huron Street; thence west along said easterly extension and the south line of the alley north of West Huron Street to the east line of North Pulaski Road; thence south along said east line of North Pulaski Road to the north line of West Huron Street; thence east along said north line of West Huron Street to the east line of North Harding Avenue; thence south along said east line of North Harding Avenue to the south line of Lot 46 in Block 6 in Fitch's Subdivision of Blocks 5, 6 and 11 of F. Harding's Subdivision, in the west half of the northwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence east along said south line of Lot 46 in Block 6 in Fitch's Subdivision and

the easterly extension thereof to the west line of Lots 1 through 24, inclusive, in said Block 6 in Fitch's Subdivision, said west line of Lots 1 through 24, inclusive, being also the east line of the alley east of North Harding Avenue; thence south along said east line of the alley east of North Harding Avenue to the south line of West Ohio Street; thence west along said south line of West Ohio Street to the west line of North Harding Avenue; thence north along said west line of North Harding Avenue to the south line of West Erie Street; thence west along said south line of West Erie Street to the east line of North Pulaski Road; thence south along said east line of North Pulaski Road to the north line of Lot 42 in the subdivision of Block 12 of F. Harding's Subdivision, in the west half of the northwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence east along said north line of Lot 42 in the subdivision of Block 12 of F. Harding's Subdivision and the easterly extension thereof to the west line of Lots 1 through 14, inclusive, in said subdivision of Block 12 of F. Harding's Subdivision, said west line of Lots 1 through 14, inclusive, being also the east line of the alley east of North Pulaski Road; thence south along said east line of the alley east of North Pulaski Road to the south line of Lot 14 in said subdivision of Block 12 of F. Harding's Subdivision; thence east along said south line of Lot 14 in said subdivision of Block 12 of F. Harding's Subdivision and the easterly extension thereof to the east line of North Harding Avenue; thence south along said east line of North Harding Avenue to the easterly extension of the south line of Lot 4 in the subdivision of the east half of Block 13 in F. Harding's Subdivision, in the west half of the northwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the south line of Lot 4 in the subdivision of the east half of Block 13 in F. Harding's Subdivision to the west line of Lots 1 through 24, inclusive, in said subdivision of the east half of Block 13 in F. Harding's Subdivision, said west line of Lots 1 through 24, inclusive, being also the east line of the alley east of North Pulaski Road; thence south along said east line of the alley east of North Pulaski Road to the south line of Lot 15 in said subdivision of the east half of Block 13 in F. Harding's Subdivision; thence east along said south line of Lot 15 in said subdivision of the east half of Block 13 in F. Harding's Subdivision and the easterly extension thereof to the east line of North Harding Avenue; thence south along said east line of North Harding Avenue to the north line of the right-of-way of the Chicago & Northwestern Railroad; thence west along said north line of the right-of-way of the Chicago & Northwestern Railroad to the east line of North Pulaski Road; thence south along said east line of North Pulaski Road to the south line of the right-of-way of said Chicago & Northwestern Railroad; thence east along said south line of the right-of-way of said Chicago & Northwestern Railroad to the east line of North Avers Avenue; thence south along said east line of North Avers Avenue to the south line of Lot 27 in West Lake Street and North Central Park Subdivision of part of the west half of the southwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 27 being also the north line of the alley north of West Lake Street; thence east along said north line of the alley north of

West Lake Street and the easterly extension thereof to the west line of Lot 13 in said West Lake Street and North Central Park Subdivision, said west line of Lot 13 being also the east **line** of the alley west of North **Hamlin** Avenue; thence south along said east line of the alley west of North Hamlin Avenue to the north line of West Lake Street; thence east along said north line of West Lake Street to the east line of North Hamlin Avenue; thence north along said east line of North Hamlin Avenue to the south line of the Chicago & Northwestern Railroad Company right-of-way in the east half of the southwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence east along said south line of the Chicago & Northwestern Railroad Company **right-of-way** to the west line of vacated North Central Park Avenue, said west line of vacated North Central Park Avenue being a line 10 feet west of and **parallel** with the west line of the west **half** of the southeast quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence south along said west line of vacated North Central Park Avenue to the south line of vacated North Central Park Avenue, said south line of vacated North Central Park Avenue being a line 86 feet south of and **parallel** with the south line of the Chicago & Northwestern Railroad Company right-of-way; thence east along said south line of vacated North **Central** Park Avenue to the east line of North Central Park Avenue; thence south along said east line of North Central Park Avenue to the north line of West Lake Street; thence easterly along said north line of West Lake Street to the west line of North Kedzie Avenue; thence north along said west line of North Kedzie Avenue to the south line of the Chicago & Northwestern Railroad Company right-of-way in the east half of the southeast quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence east along said south line of the Chicago & Northwestern Railroad Company right-of-way to the east **line** of the east half of the southeast quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence north along said east line of the east half of the southeast quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian to the north line of aforesaid Chicago & Northwestern Railroad Company right-of-way; thence west along said north line of the Chicago & Northwestern Railroad Company right-of-way to the west line of North Kedzie Avenue; thence north along said west line of North Kedzie Avenue to the southwesterly line of the Chicago, Milwaukee, St. Paul & Pacific Railroad right-of-way in the east half of the southeast quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence northwesterly along said southwesterly line of the Chicago, Milwaukee, St. Paul & Pacific Railroad right-of-way to the east line of North Spaulding Avenue; thence south along said east line of North Spaulding Avenue to the south line of West Chicago Avenue; thence west along said south line of West Chicago Avenue to the southerly extension of the east line of Lot 43 in Christiana, a subdivision of the east **half** of Lot 5 in Superior Court Partition of the east half of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 43 in Christiana being also the west line of North Christiana Avenue; thence north along said southerly extension and the west line of North Christiana Avenue to the south

line of Lot 71 in said **Christiana**, a subdivision of the east half of Lot 5 in Superior Court Partition of the east half of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said south line of Lot 71 in **Christiana** and along the westerly extension thereof to the east line of Lot 19 in Block 3 of Wilson and Gould's Subdivision of the west half of Lot 5 in Superior Court Partition of the east half of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 19 being also the west line of the alley west of North **Christiana** Avenue; thence north along said east line of Lot 19 in Block 3 of Wilson and Gould's Subdivision to the north line of said Lot 19, said north line of Lot 19 being also the south line of the alley south of West Walton Street; thence west along said south line of the alley south of West Walton Street and along the westerly extension thereof to the east line of Lots 10 and 11 in said Block 3 of Wilson and Gould's Subdivision, said east line of Lots 10 and 11 being also the west line of the alley east of North **Homan** Avenue; thence north along said west line of the alley east of North **Homan** Avenue to the south line of West Augusta Boulevard; thence west along said south line of West Augusta Boulevard to the west line of North Trumbull Avenue; thence north along said west line of North Trumbull Avenue to the westerly extension of the south line of Lot 19 in the subdivision of Block 1 in Dickey's Fourth Addition to Chicago, a subdivision of part of the northwest quarter of the southeast quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 19 being also the north line of the alley north of West Augusta Boulevard; thence east along said westerly extension and the south line of Lot 19 in the subdivision of Block 1 in Dickey's Fourth Addition to Chicago to the east line of said Lot 19, said east line of Lot 19 being also the west line of the alley east of North Trumbull Avenue; thence north along said west line of the alley east of North Trumbull Avenue to the northeasterly line of Lot 22 in the subdivision of Block 1 in Dickey's Fourth Addition to Chicago, said northeasterly line of Lot 22 being also the southwesterly line of the alley east of North Trumbull Avenue; thence northwesterly along said southwesterly line of the alley east of North Trumbull Avenue to the north line of Lot 23 in said subdivision of Block 1 in Dickey's Fourth Addition to Chicago, said north line of Lot 23 being also the south line of a public alley; thence west along said north line of Lot 23 in the subdivision of Block 1 in Dickey's Fourth Addition to Chicago and along the westerly extension thereof to the west line of North Trumbull Avenue; thence north along said west line of North Trumbull Avenue to the southwesterly line of West Grand Avenue; thence northwesterly along said southwesterly line of West Grand Avenue to the south line of West Thomas Street; thence west along said south line of West Thomas Street to the southerly extension of the east line of Lot 5 in Charles H. Kusel's Subdivision of part of the northwest quarter of the southeast quarter of Section 2, Township 39 North,

Range 13 East of the Third Principal Meridian, said east line of Lot 5 being also the west line of the alley east of North Central Park Avenue; thence north along said southerly extension and the west line of the alley east of North Central Park Avenue to the south line of Lot 10 in said Charles H. Kusel's Subdivision; thence west along said south line of Lot 10 in Charles H. Kusel's Subdivision and along the westerly extension thereof to the west line of North Central Park Avenue; thence north along said west line of North Central Park Avenue to the north line of Lot 16 in Block 1 of Treat's Subdivision of the northeast quarter of the southwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said north line of Lot 16 being also the south line of the alley south of West Grand Avenue; thence west along said north line of Lot 16 in Block 1 of Treat's Subdivision to the west line of said Lot 16, said west line of Lot 16 being also the east line of the alley west of North Central Park Avenue; thence south along said west line of Lot 16 to the easterly extension of the south line of Lot 42 in said Block 1 of Treat's Subdivision; thence west along said easterly extension and the south line of Lot 42 in Block 1 of Treat's Subdivision and along the westerly extension thereof to the west line of North Monticello Avenue; thence north along said west line of North Monticello Avenue to the south line of West Division Street; thence west along said south line of West Division Street to a line perpendicular to the south line of West Division Street, said perpendicular line having a southerly terminus on the south line of West Division Street and a northerly terminus at the point of intersection of the north line of West Division Street with the northeasterly line of Lot 46 in Block 15 of Beebe's Subdivision of the east half of the northwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian (except 5 acres in the northeast quarter thereof), said northeasterly line of Lot 46 being also the southwesterly line of the alley southwest of West Grand Avenue; thence north along said perpendicular line to said point of intersection of the north line of West Division Street with the southwesterly line of the alley southwest of West Grand Avenue; thence northwesterly along said southwesterly line of the alley southwest of West Grand Avenue to the east line of North Hamlin Avenue; thence north along said east line of North Hamlin Avenue to the easterly extension of the north line of Lot 12 in Block 6 in Thomas J. Diven's Subdivision in the west half of the northwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the north line of Lot 12 in Block 6 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 43 in said Block 6 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 43 in said Block 6 in Thomas J. Diven's Subdivision to the northeasterly line thereof; thence northwesterly along said northeasterly line of

Lot 43 and along the northeasterly line of Lot 44 in said Block 6 in Thomas J. Diven's Subdivision and along the northwesterly extension thereof to the west line of North Avers Avenue; thence north along said west line of North Avers Avenue to the north line of Lot 12 in Block 5 in said Thomas J. Diven's Subdivision; thence west along said north line of Lot 12 in Block 5 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision to the northeasterly line thereof; thence northwesterly along said northeasterly line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 58 in said Block 5 and along the northwesterly extension thereof to the west line of North Springfield Avenue; thence north along said west line of North Springfield Avenue to the north line of Lot 4 in the resubdivision of Lots 12 to 16 in Block 1 in Thomas J. Diven's Subdivision; thence west along said north line of Lot 4 in the resubdivision of Lots 12 to 16 in Block 1 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 21 in Block 1 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 21 and along the east line of Lot 22 in Block 1 in Thomas J. Diven's Subdivision to the northeasterly line of said Lot 22; thence northwesterly along said northeasterly line of Lot 22 in Block 1 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 23 in said Block 1 and along the northwesterly extension thereof to the west line of North Harding Avenue; thence north along said west line of North Harding Avenue to the north line of Lot 1 in the resubdivision of Lots 12 to 15 in Block 2 in Thomas J. Diven's Subdivision; thence west along said north line of Lot 1 in the resubdivision of Lots 12 to 15 in Block 2 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 35 in Block 2 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 35 and along the east line of Lot 36 in Block 2 in Thomas J. Diven's Subdivision to the northeasterly line of said Lot 36; thence northwesterly along said northeasterly line of Lot 36 in Block 2 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 37 in said Block 2 to the east line of North Pulaski Road; thence south along said east line of North Pulaski Road to the easterly extension of the south line of West Kamerling Avenue; thence west along said easterly extension and the south line of West Kamerling Avenue to the east line of Lot 11 in Block 4 of Damarest and Kamerling's Grand Avenue Subdivision of the north half of the southeast quarter of the northeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 11 being also the west line of the alley west of North Pulaski Road; thence south along said west line of the alley west of North Pulaski Road and along the

southerly extension thereof to the north line of Lot 30 in Solomon Boehm's Resubdivision of Lots 1 to 43, both inclusive, in Block 1 of Strayhorn's Subdivision of the south half of the southeast quarter of the northeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian, said north line of Lot 30 being also the south line of the alley south of West Potomac Avenue; thence east along said north line of Lot 30 in Solomon Boehm's Resubdivision to the east line of said Lot 30; thence south along said east line of Lot 30 in Solomon Boehm's Resubdivision to the north line of West Crystal Street; thence west along said north line of West Crystal Street to the northerly extension of the east line of Lot 4 in the resubdivision of Lots 1 to 10, both inclusive, in Block 4 of Strayhorn's Subdivision of the south half of the southeast quarter of the northeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian; thence south along said northerly extension and the east line of Lot 4 in the resubdivision of Lots 1 to 10, both inclusive, in Block 4 of Strayhorn's Subdivision to the south line of said Lot 4, said south line of Lot 4 being also the north line of the alley north of West Division Street; thence west along said north line of the alley north of West Division Street to the east line of North Kostner Avenue; thence south along said east line of North Kostner Avenue to the north line of Lot 20 in Block 1 of Castle's Subdivision of the northwest quarter of the northwest quarter of the southeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian, said north line of Lot 3 being also the south line of the alley south of West Division Street; thence east along said south line of the alley south of West Division Street and along the easterly extension thereof to the east line of North Keeler Avenue; thence north along said east line of North Keeler Avenue to the point of beginning at the south line of West Division Street, all in the City of Chicago, Cook County, Illinois.

Exhibit "B".

*Chicago/Central Park Redevelopment Project
Area Street Boundary Description.*

The area is made up of six hundred seventy-eight (678) acres and four thousand nine hundred one (4,901) parcels on one hundred forty-nine (149) blocks. It is irregularly shaped and is generally bounded by the alley southwest of West Grand Avenue on the north, North Kedzie Avenue on the east, West Lake Street on the south and North Pulaski Road on the west. In addition, a western arm of the area extends along West Division Street to North Kostner Avenue.

EXHIBIT B

Legal Description – Rosa Parks Apartments

PARCEL 1A (Building #2):

LOTS 20, 21 AND 22 (EXCEPT THE NORTH 0.55 FEET OF LOT 22 THEREOF) IN BLOCK 2 IN RUST AND GILCHRIST'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PIN Nos.: 16-11-215-002, vol. 553
16-11-215-003, vol. 553
16-11-215-004, vol. 553

Common Address: 649 N. Sawyer, Chicago, Illinois

PARCEL 1B (Building #1):

THE NORTH 0.55 FEET OF LOT 22 AND ALL OF LOTS 23 AND 24 IN BLOCK 2 IN RUST AND GILCHRIST'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PIN No.: 16-11-215-001, vol. 553
16-11-215-002, vol. 553

Common Address: 3221 W. Huron, Chicago, Illinois

PARCEL 2 (Building #3):

THE SOUTH 126 FEET OF LOT 6 (EXCEPT THE WEST 33 FEET TAKEN FOR WIDENING DRAKE AVENUE) AND THE SOUTH 126 FEET OF THE WEST HALF OF LOT 7 IN BRECKENRIDGE'S SUBDIVISION OF BLOCK 6 IN HARDING'S SUBDIVISION OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PIN No.: 16-11-209-015, vol. 553

Common Address: 601 North Drake Avenue, Chicago, Illinois

PARCEL 3 (Building #4):

LOTS 26, 27, 28 AND 29 IN THE SUBDIVISION OF BLOCK 11 IN F. HARDING'S SUBDIVISION OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PIN Nos.: 16-11-217-020, vol. 553
16-11-217-021, vol. 553
16-11-217-022, vol. 553
16-11-217-023, vol. 553

Common Address: 526 North St. Louis Avenue, Chicago, Illinois

PARCEL 4 (Building #5):

LOTS 25 AND 26 IN THE SUBDIVISION OF BLOCK 10 IN HARDING'S SUBDIVISION OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PIN Nos.: 16-11-218-010, vol. 553
16-11-218-011, vol 553

Common Address: 521 North St. Louis Avenue, Chicago, Illinois

PARCEL 5 (Building #6):

LOTS 6, 7, 8, 9 AND 10 IN THE SUBDIVISION OF BLOCK 10 IN HARDING'S SUBDIVISION OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PIN Nos.: 16-11-218-018, vol. 553
16-11-218-019, vol. 553
16-11-218-020, vol. 553
16-11-218-021, vol. 553

Common Address: 532 North Trumbull Avenue, Chicago, Illinois

PARCEL 6 (Building #7):

LOTS 4, 5 AND 6 IN THE SUBDIVISION OF THE WEST 283 FEET OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THAT PART OF THE EAST 100 FEET LYING SOUTH OF THE NORTH 190 FEET AND NORTH OF THE SOUTH 341 FEET THEREOF) IN COOK COUNTY, ILLINOIS.

PIN Nos.: 16-11-220-002, vol. 553
16-11-220-003, vol. 553
16-11-220-006, vol. 553

Common Address: 541 North Homan Avenue, Chicago, Illinois

PARCEL 7 (Building #8):

LOT 1 IN THE SUBDIVISION OF THE WEST 283 FEET OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THAT PART OF THE EAST 100 FEET LYING SOUTH OF THE NORTH 190 FEET AND NORTH OF THE SOUTH 341 FEET THEREOF), IN COOK COUNTY, ILLINOIS.

PIN Nos.: 16-11-220-005, vol. 553

Common Address: 3341 West Ohio Street, Chicago, Illinois

PARCEL 8 (Building #8):

LOT 2 IN THE SUBDIVISION OF THE WEST 283 FEET OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THAT PART OF THE EAST 100 FEET LYING SOUTH OF THE NORTH 190 FEET AND NORTH OF THE SOUTH 341 FEET THEREOF) IN COOK COUNTY, ILLINOIS.

PIN Nos.: 16-11-220-004, vol. 553

Common Address: 3341 West Ohio Street, Chicago, Illinois

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

Property Assembly and Related Costs	\$169,359
Architectural	\$790,000
Construction Costs of Affordable Housing Units*	<u>\$22,165,314</u>
	\$23,124,673

*50% of the actual construction costs of affordable housing units for low and very low income occupants are eligible as defined under the provision of the Tax Increment Allocation Redevelopment Act.

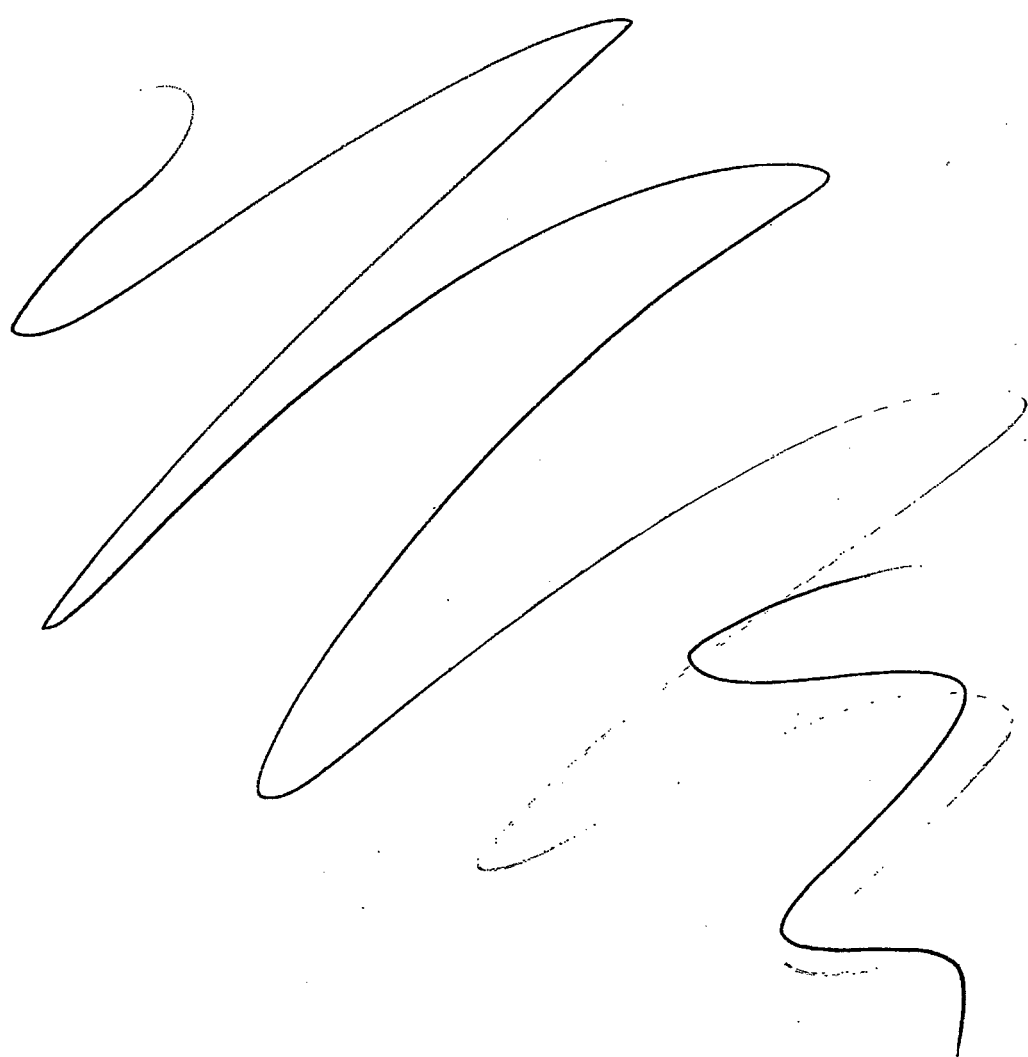


EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

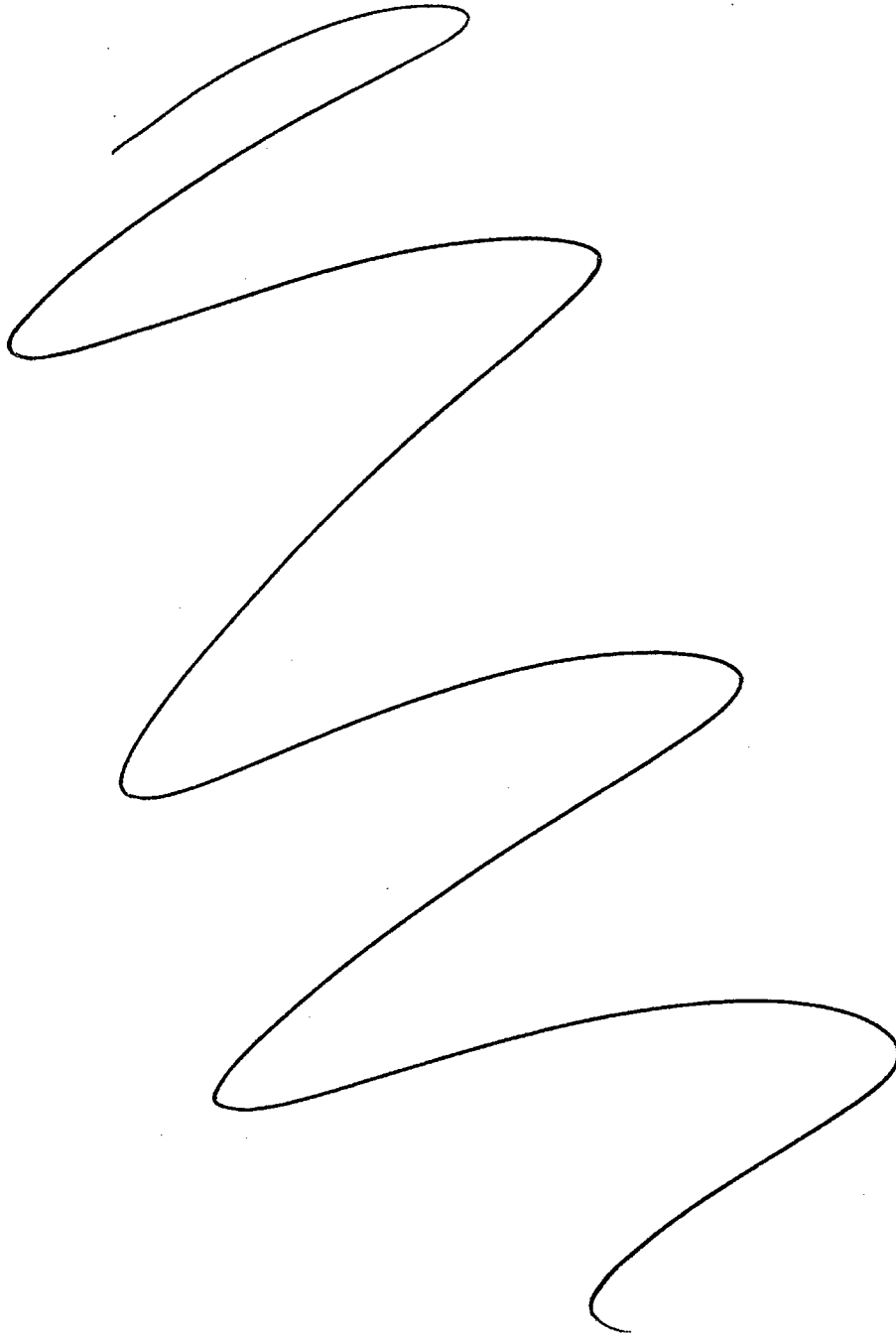
2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any:

NONE

EXHIBIT H

PROJECT BUDGET

See Attached



**Exhibit H
PROJECT BUDGET**

Acquisition	\$169,359.00
PreDev Interest	\$29,868.67
Site Prep/Soil Borings	\$55,000.00
Survey	\$30,000.00
Holding Costs	\$17,043.00
TIF Projections	\$6,427.50
Permit and Zoning	\$124,270.00
Security	\$25,200.00
Project Legal	\$97,047.83
Accounting/ Audits	\$25,000.00
Appraisal	\$10,755.00
Market Study	\$16,000.00
Marketing	\$80,000.00
Construction	\$22,165,314.00
Contingency	\$1,108,266.00
Construction Letter of Credit	\$142,460.00
Architect	\$790,000.00
Environmental	\$15,120.00
Con. Per. Insurance	\$84,000.00
Con. Per. Property Taxes	\$25,000.00
Title & Recording	\$47,000.00
Tax Escrow	\$88,000.00
Insurance Escrow	\$45,000.00
Initial Operating Reserve	\$160,000.00
IHDA Operating Reserve	\$10,000.00
Application and Res. Fees	\$138,150.00
LEED Fees	\$36,050.00
Syndication Legal	\$38,000.00
Syndication Letter of Credit	\$130,000.00
Lender Fees	\$34,946.00
Con. Per. Interest	\$373,907.00
Bank Legal	\$30,000.00
Developer Fee	\$1,000,000.00
TOTAL	\$27,147,184.00

EXHIBIT M
FORM OF NOTE

REGISTERED

NO. R-1

MAXIMUM AMOUNT

\$2,781,624

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE (CHICAGO/CENTRAL PARK
REDEVELOPMENT PROJECT), [TAXABLE] SERIES [A]

Registered Owner: Rosa Parks Limited Partnership

Interest Rate: 7.41% per annum

Maturity Date: _____, _____ [fifteen years from issuance date]

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

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

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

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$2,781,624 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Rosa Parks Limited Partnership, an Illinois limited Partnership Developer (the Project), which were acquired in connection with the development construction of an 94-unit development to be known as "Rosa Parks Apartments" that will consist of six flats and three and four-story buildings scattered over eight sites between Kedzie on the east, Drake on the west, Huron on the north and Franklin on the south in the Chicago/Central Park Redevelopment Project Area (the Project Area) in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the TIF Act) , the

Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on July 9, 2008 (the AOrdinance"), in all respects as by law required.

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

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

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

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

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

Pursuant to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions, [and the City has reserved the right to offset liquidated damage

amounts owed to the City against the principal amount outstanding under this Note]. The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Such rights shall survive any transfer of this Note.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]



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

Mayor

(SEAL)
Attest:

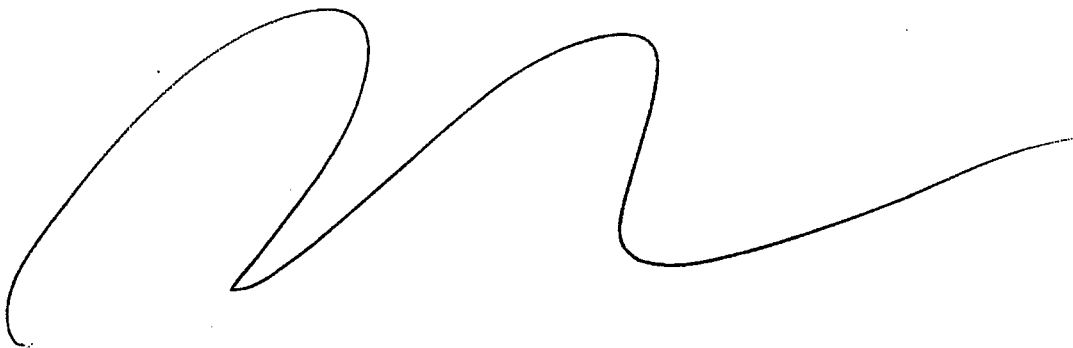
City Clerk

CERTIFICATE
OF
AUTHENTICATION

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

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project), [Taxable] Series [A], of the City of Chicago, Cook County, Illinois.

Comptroller
Date:

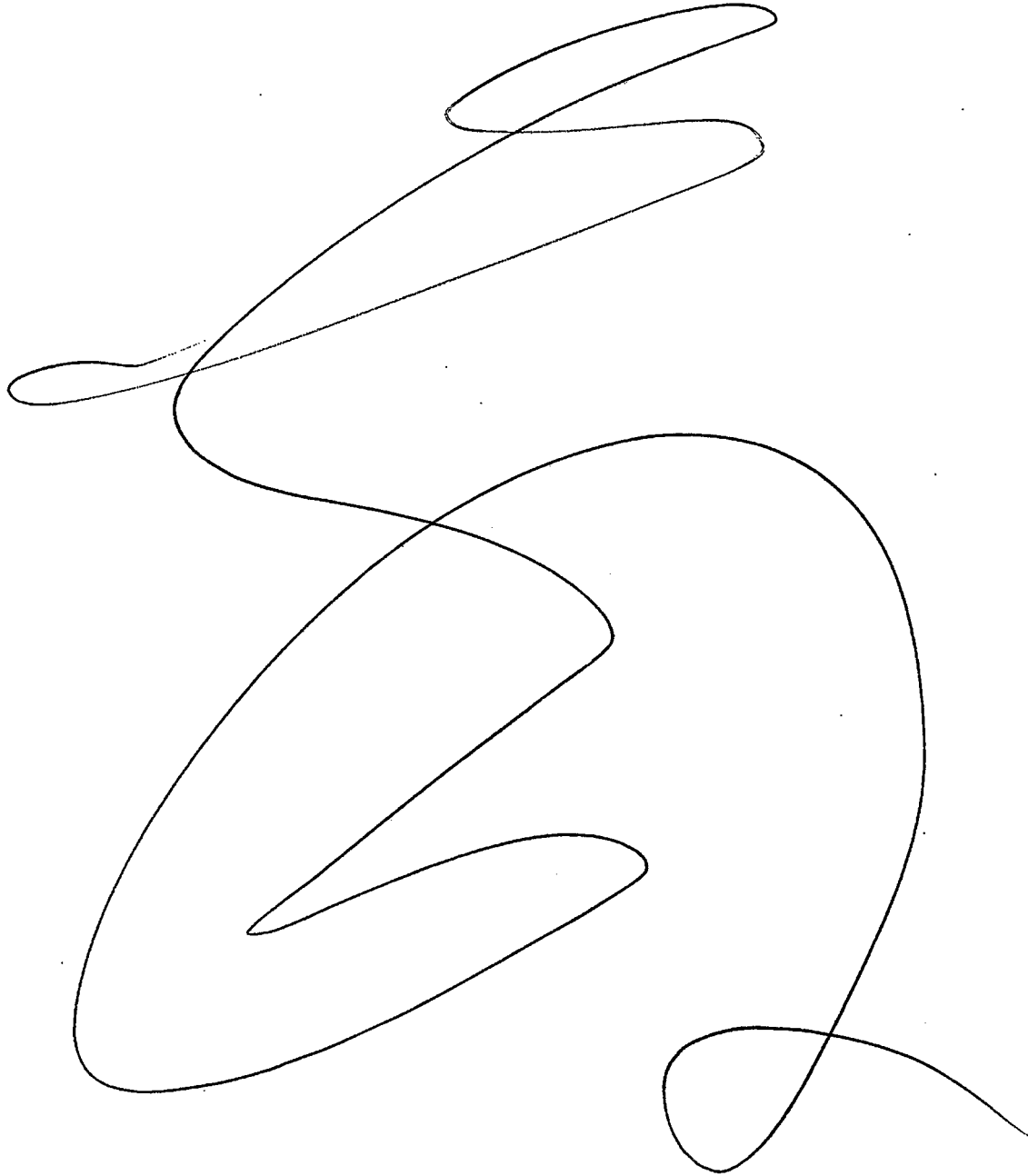
A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal tail.

PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT

PRINCIPAL PAYMENT

PRINCIPAL BALANCE DUE



(ASSIGNMENT)

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

Dated: Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY:

ITS:

A large, stylized handwritten signature in black ink, consisting of several loops and curves, positioned below the signature line.

CERTIFICATION OF EXPENDITURE

(Closing Date)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$2,781,624 Tax Increment Allocation Revenue Note
(_____ Redevelopment Project, [Taxable] Series [A])
(the "Redevelopment Note")

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

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

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

CITY OF CHICAGO

By: _____
Commissioner
Department of Planning and
Development

AUTHENTICATED BY:

REGISTRAR