

## Contract Summary Sheet

**Contract (PO) Number:** 2626

**Specification Number:** 13810

**Name of Contractor:** RAVEN THEATRE CO.

**City Department:** PLANNING & DEVELOPMENT

**Title of Contract:** City will reimburse developer for aquisition of above site that is being rehabbed. PO 1443



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

\$550,000.00

**Brief Description of Work:** City will reimburse developer for aquisition of above site that is being rehabbed. PO 1443

**Procurement Services Contact Person:** BARBARA SUTTON

**Vendor Number:** SC000942

**Submission Date:**

**SEP 11 2003**


REGISTERED  
NO. R-1

MAXIMUM AMOUNT  
\$ 370,000.00

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO  
TAX INCREMENT ALLOCATION REVENUE NOTE  
CLARK STREET AND RIDGE AVENUE REDEVELOPMENT PROJECT AREA  
(RAVEN THEATRE COMPANY REDEVELOPMENT PROJECT)  
TAXABLE SERIES A**

Registered Owner: Raven Theatre Company  
Interest Rate: 10% per annum  
Maturity Date: September, 2022

**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 \$370,000 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 is payable solely from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) 



 the City's obligation to make further payments is

terminated under the terms of the Redevelopment Agreement), subject to the limitations set forth in Section 4.03. 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 original principal outstanding amount of \$370,000 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Raven Theatre Company (the "Project"), which has acquired and renovated the building located at 6157 North Clark Street in the Clark Street and Ridge Avenue 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 May 29, 2002 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement (and in particular, Section 4.03 thereof) 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 INCREMENTAL TAXES (AND SUBJECT FURTHER TO THE LIMITATIONS IN SECTION 4.03 OF THE REDEVELOPMENT AGREEMENT) 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 (plus any accrued and unpaid interest). 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 ~~September~~ 2002 between the City and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner has acquired the Project and advanced funds related to such acquisition on behalf of the City. A portion of the Registered Owner's cost of acquiring the Project in the amount of \$370,000 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 terminate payments of principal and of interest on this Note upon the occurrence of certain conditions and to recover amounts previously paid with respect to this Note. Subject to Section 15.02 (with respect to possible continuing payments to Uptown National Bank or a successor lender providing permitted Lender Financing), 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.

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**(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:** \_\_\_\_\_

**The following is said ordinance as passed:**

**WHEREAS, Pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on September 29, 1999 and published at pages 11662 and 11664 -- 11747 of the *Journal of the Proceedings of the City Council* (the "*Journal*"), a certain redevelopment plan and project (the "Plan") for the Clark Street and Ridge Avenue Redevelopment Project Area (the "Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1, et seq.) (the "Act"); and**

**WHEREAS, Pursuant to an ordinance adopted by the City Council on September 29, 1999, and published at pages 11746 and 11748 -- 11758 of the *Journal* of such date, the Area was designated as a redevelopment project area pursuant to the Act; and**

**WHEREAS, Pursuant to an ordinance (the "T.I.F. Ordinance") adopted by the City Council on September 29, 1999, and published at pages 11757 and 11759 -- 11769 of the *Journal* of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and**

**WHEREAS, Raven Theatre Company (the "Developer"), has purchased the real property located within the Area commonly known as 6157 North Clark Street, Chicago, Illinois 60660 (the "Property") and intends to redevelop the existing improvements for use as a theater complex that will include an approximately one hundred sixty (160) seat main theater and an approximately sixty (60) seat studio theater and certain ancillary uses (the "Project");**

**WHEREAS, The Project is necessary for the redevelopment of the Area; and**

**WHEREAS, The Developer will be obligated to undertake the Project in accordance with the terms and conditions of a proposed redevelopment agreement to be executed by the Developer and the City, with such Project to be financed in part by certain pledged incremental taxes deposited from time to time in the Special Tax Allocation Fund for the Area (as defined in the T.I.F. Ordinance) pursuant to Section 5/11-74.4-8(b) of the Act ("Incremental Taxes"); and**

**WHEREAS, Pursuant to its Resolution 02-CDC-12 adopted by the Community Development Commission of the City of Chicago (the "Commission") on January 22, 2002, the Commission published notice pursuant to Section 5/11-74.4-4(c) of the Act of the City's intention, acting through the Department of Planning and Development ("D.P.D."), to negotiate a redevelopment agreement with the Developer for the Project and to request alternative proposals for redevelopment of the**



Property; and

WHEREAS, D.P.D. published the notice, requested alternative proposals for the redevelopment of the Property 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 Property within fourteen (14) days after such publication, pursuant to Resolution 02-CDC-12, the Commission has recommended that the Developer be designated as 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 Developer for the Project; now, therefore,

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

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

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

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

**SECTION 4.** The City Council of the City hereby finds that the City is authorized to issue its tax increment allocation revenue obligation in a maximum principal amount not to exceed Three Hundred Seventy Thousand Dollars (\$370,000) for the purpose of paying a portion of the eligible costs included within the Project.

**SECTION 5.** There shall be borrowed for and on behalf of the City an amount not to exceed Three Hundred Seventy Thousand Dollars (\$370,000) for the payment of a portion of the eligible costs included within the Project. A note of the City in an amount up to Three Hundred Seventy Thousand Dollars (\$370,000) shall be issued and shall be designated "Tax Increment Allocation Revenue Note Clark Street and Ridge Avenue Redevelopment Project Area" (Raven Theatre Company Redevelopment Project) (the "Note"). The Note shall be dated as of the date of delivery thereof, shall bear the date of authentication, shall be in fully registered form, shall be in the denomination of the maximum outstanding principal amount thereof and shall become due and payable as provided therein.

The Note shall bear interest at a fixed interest rate at a per annum rate equal to the interest rate charged by Uptown National Bank with respect to its construction loan financing as of the date of the Note's execution, but in no event more than ten and zero-tenth percent (10.0%) per annum (the "Interest Rate") Interest 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 shall compound on January 1<sup>st</sup>, of each year and thereafter bear interest at a fixed interest rate equal to the Interest Rate.

The principal of and interest on the Note shall be paid by check or draft of the Comptroller of the City, as registrar and paying agent (the "Registrar") (or, at the City's sole election, by wire transfer of funds), payable in lawful money of the United States of America to the persons in whose name the Note is registered at the close of business on the fifteenth (15<sup>th</sup>) day of the month immediately prior to the applicable payment date; provided, that the final installment of the principal and accrued but unpaid interest of the 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.

The seal of the City shall be affixed to or a facsimile thereof printed on the Note, and the 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 Note shall cease to be such officer before the delivery of the 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 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 Note, and showing the date of authentication. The 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 Note shall be conclusive evidence that the Note has been authenticated and delivered under this ordinance.

**SECTION 6.** The City shall cause books (the "Register") for the registration and for the transfer of the 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 Note. The City is authorized to prepare, and the Registrar shall keep custody of, multiple Note blanks executed by the City for use in the transfer of the Note.

Upon surrender for a transfer of the 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 reasonably 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) if required under the terms of the Redevelopment Agreement, the written consent of the City evidenced by the signature of the Commissioner (or his or her designee) 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 Note of the same maturity, of authorized denomination, and for a like aggregate principal amount. The execution by the City of the fully registered Note shall constitute full and due authorization of the Note and the Registrar shall thereby be authorized to authenticate, date and deliver the Note, provided however, that the principal amount of the Note authenticated by the Registrar shall not exceed the authorized principal amount of the Note less previous retirements. The Registrar shall not be required to transfer or exchange the Note during the period beginning at the close of business on the fifteenth (15<sup>th</sup>) day of the month immediately prior to the maturity date of the Note nor to transfer or exchange the Note after notice calling the Note redemption has been made, nor during a period of five (5) days next preceding mailing of a notice of redemption of principal of the Note. No beneficial interests in the Note shall be assigned, except in accordance with the procedures for transferring the Note described above.

The person in whose name the Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of the 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 Note to the extent of the sum or sums so paid.

No service charge shall be made for any transfer of the 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 Note.

**SECTION 7.** The principal of the Note shall be subject to limitation, reduction and prepayment as provided in the form of Note attached to the Redevelopment Agreement as (Sub)Exhibit L and the Redevelopment Agreement, including without limitation, Sections 4.03, 4.08 and 15 thereof. As directed by the Commissioner, the Registrar shall proceed with redemptions without further notice or direction from the City.

**SECTION 8.** The Registrar shall note on the Payment Schedule attached to the Note the amount of any payment of principal or interest on the Note, including the amount of any redemption or prepayment, and the amount of any reduction in principal pursuant to the Redevelopment Agreement.

**SECTION 9.** The Note shall be prepared in substantially the form attached hereto as (Sub)Exhibit L to the Redevelopment Agreement.

**SECTION 10.** The Note hereby authorized shall be executed as provided in this Ordinance and the Redevelopment Agreement as soon after the passage hereof as may be practicable, and thereupon, be deposited with the Commissioner, and be by said Commissioner delivered to the Developer.

**SECTION 11.** (a) **Special Tax Allocation Fund.** Pursuant to the T.I.F. Ordinance, the City has created a special fund, designated as the Clark Street and Ridge Avenue Tax Increment Financing Redevelopment Project Area Special Tax Allocation Fund (the "Tax Allocation Fund").

The Comptroller of the City is hereby directed to maintain the Tax Allocation Fund as a segregated interest-bearing account, separate and apart from the General Fund or any other fund of the City, with a bank which is insured by the Federal Deposit Insurance Corporation or its successor. Pursuant to the T.I.F. Ordinance, all incremental ad valorem taxes received by the City for the Area are to be deposited into the Tax Allocation Fund.

(b) **Developer Account.** There is hereby created within the Tax Allocation Fund a special account to be known as the "Raven Theatre Company Account" (the "Developer Account"). The City shall designate and deposit semi-annually into the Developer Account Incremental Taxes in an amount equal to ninety and zero-tenth percent (90.0%) of the incremental ad valorem taxes deposited into the Tax Allocation Fund during such year, but in no event more than One Hundred Fifty Thousand Dollars (\$150,000); provided, however, that if City Funds are insufficient to make one (1) or more of the scheduled semi-annual Seventy-five Thousand Dollars (\$75,000) payments due under the Note, the City, shall designate and deposit such amount in excess of One Hundred Fifty Thousand Dollars (\$150,000) as may be necessary (but still subject to the ninety and zero-tenth percent (90.0%) limitation) to enable the City to "catch-up" on any such previously unpaid scheduled payments (such amount, the "Developer Incremental Taxes"). Subject to the terms and conditions of the Redevelopment Agreement, the City shall use the Developer Incremental Taxes to make payments with respect to the Note until the Note has been fully repaid. In the event that an event of default under the

Redevelopment Agreement entitles the City to permanently terminate further payments of City Funds (as defined in the Redevelopment Agreement) with respect to the Note, the City may in its discretion, return the amounts in the Developer Account to the Tax Allocation Fund of the City and the Developer Account shall be closed. The City may also designate and deposit into the Developer Account such other Incremental Taxes or other legally available funds as it may deem necessary or appropriate in order to pay the One Hundred Eighty Thousand Dollars (\$180,000) payable to the Developer pursuant to Section 4.03(a) of the Redevelopment Agreement or other amounts payable to the Developer pursuant to the Note.

(c) Pledge Of Developer Account. The City hereby assigns, pledges and dedicates the Developer Account, together with all amounts on deposit in the Developer Account, to the payment of the principal of and interest, if any, on the Note when due and the terms of the Redevelopment Agreement, including specifically, but without limitation, Section 4.03 thereof. Upon deposit, the monies on deposit in the Developer Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the applicable Developer Account. All monies on deposit in the Developer Account shall be used to pay the principal of and interest on the Note, as applicable, at maturity or upon payment or redemption prior to maturity, in accordance with their terms, which payments from the Developer Account are hereby authorized and appropriated by the City. Upon payment of all amounts due under the Note and the Redevelopment Agreement in accordance with their terms, the amounts on deposit in the Developer Account shall be deposited in the Tax Allocation Fund of the City and the Developer Account shall be closed.

SECTION 12. The Note is a special limited obligation of the City, and is payable solely from amounts on deposit in the Developer Account and shall be a valid claim of the registered owner thereof only against said sources. The 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 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 Note.

SECTION 13. Monies on deposit in the Developer Account 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 Note.

**SECTION 14.** Pursuant to the Redevelopment Agreement, the Developer has previously acquired the Property in order to complete the Project. The eligible costs of such acquisition, up to the amount of Three Hundred Seventy Thousand Dollars (\$370,000), shall be deemed to be a disbursement of the proceeds of the Note, as applicable. Upon issuance, the Note shall have an initial principal balance equal to the Developer's prior expenditures for T.I.F.-Funded Improvements (as such term is defined in the Redevelopment Agreement), up to a maximum amount of Three Hundred Seventy Thousand Dollars (\$370,000). After issuance, the principal amount outstanding under the Note shall be the initial principal balance of such Note, plus interest thereon, minus any principal amount and interest paid on the Note and other reductions or adjustments in principal as are provided for 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 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 owners of the Note. All covenants relating to the Note are enforceable by the registered owners of the Note.

**SECTION 17.** The Mayor, the Comptroller, the City Clerk, the Commissioner (or his or her designee) 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 18.** If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

**SECTION 19.** All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

**SECTION 20.** This ordinance shall be in full force and effect immediately upon its passage.

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

*Exhibit "A".*  
(To Ordinance)

*Raven Theatre Company Redevelopment Agreement.*

This Raven Theatre Company Redevelopment Agreement (this "Agreement") is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 2002, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Raven Theatre Company, an Illinois not-for-profit corporation and (the "Developer").

**RECITALS**

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "the City Council") adopted the following ordinances on September 29, 1999: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Clark Street and Ridge Avenue Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Clark Street and Ridge Avenue 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 Clark Street and Ridge Avenue 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 Developer has purchased certain property located within the Redevelopment Area at 6157 North Clark Street, Chicago, Illinois 60660 and legally described on Exhibit B hereto (the "Property"), and, within the time frames set forth in Section 3.01 hereof, shall commence and complete rehabilitation of an approximately 10,000 square foot former grocery store with an adjacent parking lot for use as a theater complex that will include two theaters (an approximately 160 seat main stage and an approximately 60 seat studio), a lobby, offices and storage space (the "Facility"). The initial renovation of the Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Clark Street and Ridge Avenue Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (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, (i) the proceeds of the City Note (defined below) and (ii) Incremental Taxes (as defined below), to pay for or reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and the City Note.

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

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



**SECTION 1. RECITALS**

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

**SECTION 2. DEFINITIONS**

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

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

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

**"Available Incremental Taxes"** shall mean an amount, computed semi-annually, equal to ninety percent (90.0%) of the Incremental Taxes deposited in the TIF Fund for the applicable tax collection period (i.e. the first installment or second installment taxes).

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

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

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

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

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

**"City Funds"** shall mean both the funds paid to the Developer pursuant to the City Note and the City Funds paid to the Developer from other Incremental Taxes.

**"City Note"** shall mean the City of Chicago Tax Increment Allocation Revenue Note Clark Street and Ridge Avenue Redevelopment Project Area (Raven Theatre Company Project) Taxable Series, to be in the form attached hereto as Exhibit L, in the maximum principal amount of \$370,000, issued by the City to the Developer on the Closing Date. The City Note shall bear interest at a per annum rate equal to the per annum rate applicable to the Lender Financing and shall provide for accrued, but unpaid, interest to bear interest at the same annual rate.

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

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

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

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

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

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

**"Escrow Agreement"** shall mean the construction escrow agreement entered into by and between the Title Company (or an affiliate of the Title Company), the Developer and the Developer's lender relating to the Lender Financing.

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

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

**"Financial Statements"** shall mean complete 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, or such other financial statements as may be reasonably acceptable to DPD.

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

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

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

**"Junior Mortgage"** shall mean a Junior Construction Mortgage substantially in the form of Exhibit F, with such changes as may be approved by DPD and Corporation Counsel, executed by the Developer securing certain of the Developer's obligations under this Agreement. The Junior Mortgage shall be a junior mortgage, subordinate only to the mortgage(s) of Uptown National Bank, the senior lender, and any refinancing of such mortgage(s) permitted under the terms of this Agreement.

**"Lender Financing"** shall mean funds borrowed by the Developer from Uptown National Bank and irrevocably available to pay for Costs of the Project, in the amount set forth in Section 4.01 hereof, and any refinancing thereof permitted under the terms of this Agreement, including, without limitation, under Section 8.01(d). Any such permitted Lender Financing shall be secured by

a mortgage lien senior to the lien of the City's Junior Mortgage and the City shall subordinate the Junior Mortgage to any such permitted refinancing of the Lender Financing.

**"MBE(s)"** shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Purchasing Department, or otherwise certified by the City's Purchasing Department as a minority-owned business enterprise.

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

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

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

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

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

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

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

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

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

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

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

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

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

**"Survey"** shall mean an ALTA/ACSM (1997 Minimum Standard Detail Requirements) survey of the Property dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

**"Tenth Anniversary Date"** shall mean the tenth anniversary date of the City's issuance of its Certificate pursuant to Section 7.01.

**"Term of the Agreement"** shall mean the period of time commencing on the Closing Date and ending on the later of: (a) any date to which DPD and the Developer have agreed, (b) the Tenth Anniversary Date, and (c) the date on which all City Funds payable to the Developer under the terms of this Agreement have been paid, provided, however, that this clause (c) shall not be applicable if no further funds are payable to the Developer under the terms of this Agreement by virtue of the occurrence of an Event of Default and the City's exercise of its right to terminate any further payments hereunder.

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

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

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

**"TIF Fund"** shall mean the Clark Street and Ridge Avenue Redevelopment Project Area special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

**"TIF-Funded Improvements"** shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. Exhibit 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 Policy"** shall mean a loan policy of title insurance policy in the most recently revised ALTA or equivalent form, issued by the Title Company, showing the Developer as the insured, insuring the mortgage lien of the Junior Mortgage as a junior mortgage lien subordinate only to the mortgage lien(s) securing the Lender Financing, noting the recording of this Agreement as an encumbrance against the Property, and the recording of a subordination agreement in favor of the City with respect to City covenants that run with the land executed by the lender providing the Lender Financing.

**"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 Purchasing Department, or otherwise certified by the City's Purchasing Department as a women-owned business enterprise.

### SECTION 3. THE PROJECT

**3.01 The Project.** The Developer has previously commenced rehabilitation of the Facility. The Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof, (a) substantially complete such rehabilitation by November 30, 2002, or such later date as to which DPD may consent, and (b) conduct theater operations therein no later than November 30, 2002.

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

**3.03 Project Budget.** The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than One Million Nine Hundred Eighty Thousand Dollars (\$1,980,000). The Developer hereby certifies to

the City that the sources of funds described in Section 4.02 hereof shall be sufficient to complete the Project and that 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.** Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the Developer to DPD concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to DPD for DPD's prior written approval, which approval shall be in DPD's sole discretion: (a) a reduction in the square footage of the Facility; (b) a change in the use of the Property to a use other than the staging of live theater productions; or (c) a delay in the completion of the Project. The Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of DPD's written approval (to the extent required in this section). 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. Other Change Orders do not require DPD's prior written approval as set forth in this Section 3.04, but DPD shall be notified in writing of all such Change Orders in the Developer's quarterly progress report.

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

**3.06 Other Approvals.** Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. The Developer shall not commence construction of any portion of the Project until the Developer has obtained all necessary permits and approvals (including but not limited to DPD's approval of the 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.** Prior to issuance of a Certificate pursuant to Section 7.01, the Developer shall provide DPD with written quarterly progress reports detailing the

status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DPD's written approval pursuant to Section 3.04). The Developer shall provide three (3) copies of an updated Survey to DPD upon the request of DPD or any lender providing Lender Financing, reflecting improvements made to the Property, if such improvements materially alter the existing "footprint" of the Facility.

**3.08 Inspecting Agent or Architect. [INTENTIONALLY DELETED]**

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

**3.10 Signs and Public Relations.** The Developer has previously erected 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. Nothing in this Agreement shall prevent the Developer from seeking, pursuant to a separate ordinance, a waiver or refund of any such fees.

#### SECTION 4. FINANCING

**4.01 Total Project Cost and Sources of Funds.** The cost of the Project is estimated to be \$1,980,000, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:



State of Illinois Grant Funds	\$ 730,000
Board of Education Settlement	43,000
Foundation Grant	50,000
Board of Director/Individual Contributions	182,000
Corporate Sponsorship	25,000
Lender Financing	400,000 <sup>1</sup>
City Funds (subject to <u>Section 4.03</u> )	550,000
<b>ESTIMATED TOTAL</b>	<b>\$1,980,000</b>

**4.02 Developer Funds.** The sources of funds listed above, together with such other sources of funds as may be identified by the Developer, 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 reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(d)). A total of \$180,000 in City Funds consisting of existing Incremental Taxes in the TIF Fund shall be paid to the Developer on the Closing Date.

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

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Incremental Taxes	\$ 180,000
City Note Proceeds (to be repaid from Available Incremental Taxes)	\$ 370,000

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of Five Hundred Fifty Thousand Dollars (\$550,000) or Twenty-Seven and 80/100 percent (27.80%) of the actual total Project costs; and

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<sup>1</sup> Because Lender Financing will be used to bridge finance the pay-in of City Funds pursuant to the City Note and the pay-in of state funds, grants and contributions, this amount may increase.

provided further, that the \$370,000 to be repaid from Available Incremental Taxes shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as and subject to the following:

(i) The amount of the Incremental Taxes deposited into the TIF Fund (reduced by ten percent to arrive at the Available Incremental Taxes) shall be sufficient to pay for such costs (it being understood that the Developer will never get more than ninety percent of the Incremental Taxes in the TIF Fund with respect to any given payment); and

(ii) No semi-annual payment of Available Incremental Taxes pursuant to the City Note (whether payable towards principal or interest, or a combination thereof) shall ever exceed \$75,000, unless DPD, in its sole discretion, determines otherwise. Notwithstanding the foregoing sentence, if City Funds are insufficient to make one or more of the scheduled semi-annual \$75,000 payments, the City, shall, subject to the limitation in clause (i), make such payments as may be necessary to "catch-up" on any such previously unpaid payments (e.g., if the City has no Available Incremental Taxes to make a semi-annual payment, but has \$150,000 in Available Incremental Taxes at the time the next semi-annual payment is to be made, the City shall pay all \$150,000 to the Developer).

The Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements is contingent upon the fulfillment of the conditions set forth in parts (i) and (ii) above.

Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue the City Note to the Developer on the Closing Date. The principal amount of the City Note shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by the Developer 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 \$370,000 or Eighteen and 68/100 percent (18.68%) of the actual total Project costs; and provided, however, that payments under the City Note are subject to the limitations described in clauses (i) and (ii) above. In addition, in no event shall the final payment of \$75,000 (or such lesser amount as may then be due and payable) be due under the City Note until the Developer has staged at least one play in the Facility. At the time of the issuance of the Certificate pursuant to Section 7.01, the final actual Project Costs shall be totaled and, if the 18.68% limitation is applicable, the maximum principal amount of the City Note shall be decreased, retroactive to the date of issuance (with a corresponding adjustment in the accrual of interest from the date of issuance), to the appropriate amount.

**4.04 Requisition Form.** After the Closing Date and continuing throughout the earlier of (i) the Term of the Agreement, and (ii) the date that the Developer has been reimbursed in full under this Agreement, on or about August 1<sup>st</sup> (with respect to the first installment taxes collected during such calendar year) and February 1<sup>st</sup> (with respect to the second installment taxes collected during the prior calendar year), the Developer (or the first mortgagee) shall provide DPD with a Requisition Form, along with the documentation described therein. At the request of DPD, the Developer shall meet with DPD to discuss the Requisition Form(s).

**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) **Purchase of Property.** A portion of the purchase price of the Property, exclusive of transaction costs, in an amount not to exceed \$180,000, shall be directly reimbursed to the Developer from City Funds on the Closing Date as a TIF-Funded Improvement.

(c) **Allocation Among Line Items.** [INTENTIONALLY DELETED]

**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 disbursement of City Fund pursuant to the Developer's submission of a Requisition Form, 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 Requisition Form shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request, that:

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

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

(c) 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 and liens which the Developer is contesting pursuant to the terms of this Agreement; and

(d) 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.

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 Bond Ordinance, if any, TIF Bond Ordinance, if any, the Bonds, if any, the TIF Bonds, if any, 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, and subject to, without limitation, Section 15.02. The City Funds are subject to being reimbursed as provided in Section 15 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 Plans and Specifications.** The Developer has submitted to DPD, and DPD has approved, the Plans and Specifications accordance with the provisions of Section 3.02 hereof.

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

**5.04 Financing.** The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing and the other sources of funds in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement and that the proceeds thereof are available to be drawn upon by the Developer as needed to complete the Project. 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.** On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the Property. The Title Policy 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 shall also contain such endorsements as shall be reasonably 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 documentation related to the purchase of the Property and copies of all easements and encumbrances of record.

**5.06 Evidence of Clean Title.** The Developer, at its own expense, has provided the City with searches under the Developer's name as follows:

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

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

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

5.08 Insurance. The Developer, at its own expense, has insured the Property (or caused the Property to be insured) 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.

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 recently-completed fiscal year, and audited or unaudited interim financial statements for the current fiscal year.

5.12 Documentation. The Developer has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters, including its MBE/WBE Utilization Plan (including Schedules C and D) and evidence that the Developer's general contractor has provided bid documents to applicable MBE/WBE contractor associations.

5.13 Environmental. The Developer has provided DPD with a copy of a phase I environmental audit completed with respect to the Property. The Developer has provided the City with a letter from the environmental engineer who completed such audit, authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles of Incorporation containing the original certification of the Secretary of State of Illinois and a certificate of good standing; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws; and such other corporate documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement 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.

5.16 Junior Mortgage. The Developer shall have executed and delivered to the City the Junior Mortgage and such financing statements as the City may reasonably require.

#### 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 any further 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 DPD for its inspection and written approval. (i) [INTENTIONALLY DELETED] (ii) [INTENTIONALLY DELETED]

(b) The City acknowledges that the Developer has previously retained the Dobbins Group as the General Contractor and that such General Contractor's fee shall not exceed 10% of the total amount of the Construction Contract.

6.02 Construction Contract. Prior to the execution hereof, the Developer has delivered to DPD a certified copy of the Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above. Within ten (10) business days after execution, the Developer shall deliver to DPD and Corporation Counsel a certified copy of any modifications, amendments or supplements thereto.

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

6.04 Employment Opportunity. The Developer has contractually obligated and caused the General Contractor to agree to the provisions of Section 10 hereof.

6.05 Other Provisions. In addition to the requirements of this Section 6, all future contracts relating to the Project shall contain provisions required pursuant to Section 3.04 (Change

Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement) Section 10.03 (MBE/WBE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

#### SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the rehabilitation of the Project in accordance with the terms of this Agreement, and upon the Developer's written request, DPD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. DPD shall respond to the Developer's written request for a Certificate within thirty (30) 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 rehabilitation of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 8.01(d), 8.01(i), 8.01(k), 8.02 and 8.06 shall be covenants that run with the land and 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) through the Tenth Anniversary Date 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. Notwithstanding the preceding sentence, the City agrees that if an Event of Default occurs, the refinancing restrictions contained in Sections 8.01(d) and 8.01(k) shall not be



binding upon or applicable to any transferee's refinancing that occurs as a result of an arms-length transfer of ownership of the Property to such transferee as part of a foreclosure or deed-in-lieu of foreclosure arising from such Event of Default. 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, cease all disbursement of City Funds not yet disbursed pursuant hereto (subject, however, to the possible continued payment of funds to Uptown National Bank pursuant to Section 15.02) and exercise its rights and remedies under the Junior Mortgage; and

(b) the right to seek reimbursement from the Developer of any previously paid City Funds.

**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 and a release of the Junior Mortgage in recordable form as required by law.

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

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

(a) the Developer is an Illinois not-for-profit corporation, duly organized, validly existing, qualified to do business in Illinois;

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

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary corporate action, and does not and will not violate its Articles of Incorporation or by-laws 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) at all times prior to the Tenth Anniversary Date, the Developer shall retain and 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 any refinancing thereof, provided that the principal amount of such refinancing does not exceed the lesser of (a) the principal amount of the original Lender Financing as of the time of such refinancing, and (b) and amount equal to the principal amount of the original Lender Financing as of the date of the completion of construction of the Project minus the sum of all amounts paid in from the other funding sources identified in Section 4.01 (other than the Lender Financing and City Funds) (but in no event less than \$400,000 even if (a) or (b) should be less than \$400,000) and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof), unless the City, in its sole discretion, consents to a transfer or other refinancing of the Property;

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

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

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

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

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

(j) prior to the Tenth Anniversary Date, the Developer shall not do any of the following without the prior written consent of DPD, which shall be in DPD's sole discretion: (1) be a party to any merger, liquidation or consolidation (except with another theater company that continues to use the Facility for live theater production purposes); (2) directly or indirectly sell, transfer, convey, lease (except for leases to other theater groups) or otherwise dispose of all or substantially all of its assets or any portion of the Property; (3) use the Facility for a primary purpose other than presenting live theatrical productions; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition;

(k) prior to the Tenth Anniversary Date, the Developer shall not, without the prior written consent of DPD (which shall be in DPD's sole discretion prior to the issuance of a Certificate, and shall be in DPD's reasonable discretion thereafter) allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens or liens being contested in accordance with this Agreement; 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 (and any refinancing permitted under Section 8.01(d));

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

8.02 Covenant to Redevelop. Upon DPD's approval of the Project Budget, and the 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 Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

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

8.04 Use of City Funds. City Funds disbursed to the Developer shall be used by the Developer solely to reimburse the Developer for its payment of the TIF-Funded Improvements.

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 provide a source of funds for the payment of the TIF-Funded Improvements; provided, however, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

8.06 Covenant to Operate as Theater. At all times prior to the Tenth Anniversary Date, the Facility shall be used only for the primary purpose of staging live theatrical productions. 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 working on the renovation work related to the Project to abide by the terms set forth in Section 10 hereof. The Developer shall deliver to the City monthly written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. If any such reports indicate a shortfall in compliance, 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. Upon issuance of a Certificate pursuant to Section 7.01, this covenant shall terminate.

8.08 Employment Profile. The Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor working on the renovation of the Project 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 working on the renovation of the Project to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or

mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09.

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

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

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

8.13 Financial Statements. The Developer shall obtain and provide to DPD, at the time of submission of a Requisition Form, Financial Statements for the Developer's most recently concluded fiscal year. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical 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 (it being agreed that a bond in the amount of 150% of the amount contested shall be sufficient) 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. The Property and the Project are and shall be (or upon completion of the rehabilitation work shall be) in material compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the

Property. Upon the City's request, the Developer shall provide reasonable evidence satisfactory to the City of such compliance.

**8.18 Recording and Filing.** The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

**8.19 Real Estate Provisions.**

**(a) Governmental Charges.**

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

**(ii) Right to Contest.** The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. 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,

**(iii) 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

(iv) the Developer shall furnish a good and sufficient bond or other security satisfactory to DPD or the lender providing Lender Financing (so that the Developer does not have to provide duplicate security or collateral) in such form and amounts as DPD (or such lender) shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

(b) Developer's Failure To Pay Or Discharge Lien. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the Developer shall advise DPD thereof in writing, at which time (subject to Developer's contest rights under Section 8.19(a) above) DPD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to DPD by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

(c) Real Estate Taxes. [INTENTIONALLY OMITTED]

8.20 Public Benefits Program. The Developer shall undertake the public benefits program as described on Exhibit M. On a semi-annual basis, the Developer shall provide the City with a status report describing in sufficient detail the Developer's compliance with the public benefits program.

8.21 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 (either generally or specifically) 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, either generally or specifically, 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:

(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 that enters into an agreement after the date hereof 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 who enters into an agreement after the date hereof 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 who enters into an agreement after the date hereof, 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 who enters into an agreement after the date hereof 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 and this shall (notwithstanding anything in Section 15) be the City's sole remedy for such shortfall. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

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

a. Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE" Program"), Section 2-92-420 et seq., Municipal Code of Chicago, 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 construction of the

Project, at least the following percentages of the MBE/WBE Budget (as these budgeted amounts may be reduced to reflect decreased actual costs) shall be expended for contract participation by MBEs or WBEs:

- i. At least 25 percent by MBEs.
- ii. At least 5 percent by WBEs.

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

c. Consistent with Section 2-92-440, 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 a 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 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. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

d. During construction of the Project, the Developer shall deliver quarterly reports to DPD 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 DPD in determining the Developer's compliance with this MBE/WBE commitment. DPD has access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Section 14 of this Agreement, on five (5) 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 construction 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 Section 2-92-540, Municipal Code of Chicago.

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 Section 2-92-0, Municipal Code of Chicago.

g. Prior to the execution of this Agreement, the Developer, the General Contractor and all major subcontractors met with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Section 10.03. During this meeting, the Developer demonstrated to DPD its plan to achieve its obligations under this Section 10.03, the sufficiency of which was approved by DPD. During the construction of the Project, the Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of DPD, 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 DPD, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. 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, (3) exercise all remedies available under the Junior Mortgage, or (4) seek any other remedies against the Developer available at law or in equity.

#### SECTION 11. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to

conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Plans and Specifications and all amendments thereto, [the Bond Ordinance] and the Redevelopment Plan.

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

#### SECTION 12. INSURANCE

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

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

(i) Workers Compensation and Employers Liability Insurance

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

(ii) Commercial General Liability Insurance (Primary and Umbrella)

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

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

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

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability Insurance (Primary and Umbrella)

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



Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory bases.

(iv) Railroad Protective Liability Insurance

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

(v) Builders Risk Insurance

When the Contractor undertakes any construction, including improvements, betterments, and/or repairs, the Contractor shall provide, or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable. The City of Chicago shall be named as an additional insured and loss payee.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$500,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers Insurance

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

(viii) Contractor's Pollution Liability

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

(c) Term of the Agreement

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

(d) Other Requirements

The Developer will furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The receipt of any certificate does not

constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the City. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.

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

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

Provided such waivers are generally available, the Developer agrees that insurers shall waive rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

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

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

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

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

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

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as any such change does not increase these requirements.

### SECTION 13. INDEMNIFICATION

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

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

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

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

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

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

indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

#### SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the construction 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 after the date hereof with respect to the construction of 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:

(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;

(c) the making or furnishing by the Developer to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or

any related agreement which is untrue or misleading in any material respect;

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

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

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

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

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

(i) the dissolution of the Developer; or

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer which is not dismissed within thirty (30) days, or the indictment of the Developer, for any crime (other than a misdemeanor).

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related

agreements and may suspend disbursement of City Funds. 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, and may exercise its rights and remedies under the Junior Mortgage. Notwithstanding the foregoing, if the Developer has collaterally assigned the City Note to Uptown National Bank as security for repayment of the Lender Financing, the City shall, notwithstanding the occurrence of an Event of Default or anything contained in this Agreement to the contrary, continue to make payments on the City Note to Uptown National Bank, as assignee, in accordance with the terms of this Agreement until (a) the Uptown National Bank financing has been repaid from such continued City Note payments, or (b) the City Note has been paid in full in accordance with its terms. However, the City shall retain the right to foreclose its Junior Mortgage, subject to the Uptown National Bank mortgage lien(s), in order to force a sale of the Property with the intent of realizing adequate net sales proceeds sufficient to repay the Uptown National Bank financing and, to the extent of such net sales proceeds, amounts due under this Agreement. Upon any such sale and realization of net sales proceeds sufficient to repay the Uptown National Bank financing, the City may terminate any further payments with respect to the City Note.

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 reasonably 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 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. Thereafter, any New Mortgage shall be subject to the limitations in Section 8.01(d) and Section 8.01(k).

#### 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) overnight courier, or (c) 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: Raven Theatre Company  
 6157 N. Clark Street  
 Chicago, Illinois 60660

with a copy to: Mark Yates  
 900 Clark Street  
 Evanston, Illinois 60201

and copies to Lender (so long as it is Lender) Uptown National Bank of Chicago  
 4753 N. Broadway  
 Chicago, Illinois 60650  
 Attn: Ms. Helena Burke-Bevan

and to Lender's Counsel: Fumagilli, Tecson & Hyman, Ltd.  
 303 East Wacker Drive, Suite 210  
 Chicago, Illinois 60601  
 Attn: Joshua Hyman

Such addresses may be changed by notice to the other party given in the same manner provided above. Any notice, demand request sent pursuant to clause (a) shall be deemed received if such personal service or upon dispatch. Any notice, demand request sent pursuant to clause (b) shall be deemed received on

day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (c) 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 so long as the change does not have a material adverse effect on the Developer or the Project, as determined by the City, in its reasonable discretion. 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. In addition, the City specifically agrees that the definition of "Available Incremental Taxes" may not be amended without the consent of both the Developer and any lender providing permitted Lender Financing.

**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 or the Developer shall be personally liable to the other party or any successor in interest in the event of any default or breach by such party for any amount which may become due 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, at no material cost to the Developer, as may become reasonably 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 or Developer 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 or the Developer.

**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 except in connection with the Lender Financing. 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 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 with respect to Sections 7.02, 15.02 and 18.01 and such sections' benefit to certain specified transferees and/or Uptown National Bank, 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 reasonable attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject to any limits under applicable law, reasonable attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgement collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

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

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

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.

**RAVEN THEATRE COMPANY, an Illinois not-for-profit corporation**

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

**CITY OF CHICAGO, acting by and through its Department of Planning and Development**

By: \_\_\_\_\_  
**Alicia Mazur Berg**  
**Commissioner**

STATE OF ILLINOIS )  
 )  
 ) SS  
COUNTY OF COOK )

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

GIVEN under my hand and official seal this \_\_\_\_ day of \_\_\_\_\_, 2002.

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

My Commission Expires \_\_\_\_\_

(SEAL)

5/29/2002

REPORTS OF COMMITTEES

85497

STATE OF ILLINOIS )  
 )  
COUNTY OF COOK ) SS

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

GIVEN under my hand and official seal this \_\_\_th day of \_\_\_\_\_, 2002.

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

My Commission Expires \_\_\_\_\_

[(Sub)Exhibits "A", "B", "D", "E" and "I" referred to in this Raven Theatre Company Redevelopment Agreement unavailable at time of printing.]

(Sub)Exhibits "C", "F", "G", "H-1", "H-2", "J", "K", "L" and "M" referred to in this Raven Theatre Company Redevelopment Agreement read as follows:



*(Sub)Exhibit "C".***(To Raven Theatre Company Redevelopment Agreement)***T.I.F.-Funded Improvements.*

Line Item	Cost
Acquisition	\$550,000

*(Sub)Exhibit "F".***(To Raven Theatre Company Redevelopment Agreement)***Junior Construction Mortgage.*

This Junior Construction Mortgage ("Mortgage") is made and given as of this \_\_\_\_\_ day of \_\_\_\_\_, 2002, by Raven Theatre Company, an Illinois not-for-profit corporation, having an address at 6157 North Clark Street, Chicago, Illinois 60660 ("Mortgagor"), to the City of Chicago, an Illinois municipal corporation, having its principal office at 121 North LaSalle Street, Chicago, Illinois 60602 ("City" or "Mortgagee").

*Recitals.*

Whereas, The City Council of the City, by ordinance adopted \_\_\_\_\_ 2002, authorized the execution by Mortgagor and the City of that certain Raven Theatre Company Redevelopment Agreement dated as the date hereof, a copy of which has been recorded prior to the recording of this Mortgage (such agreement, as amended, supplemented or modified, the "Redevelopment Agreement"); and

Whereas, All terms, unless defined herein, shall have the meaning given to them in the Redevelopment Agreement; and

Whereas, The Redevelopment Agreement provides, inter alia, for the Mortgagor to acquire and renovate the building commonly known as 6157 North Clark Street, Chicago, Illinois located on the real property legally described in (Sub)Exhibit A attached hereto (the "Land"); and

Whereas, The Project will be financed in part with City Funds, up to a maximum aggregate principal amount of Five Hundred Fifty Thousand Dollars (\$550,000), to reimburse the Mortgagor for certain Redevelopment Project Costs, as are further described in the Redevelopment Agreement; and

Whereas, The City Funds have been derived and will be derived from Incremental Taxes and must be used in accordance with any laws, regulations and ordinances governing the use of such funds, including, without limitation, the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq.; and

Whereas, As consideration for the use of the City Funds, the Mortgagor has acquired and agreed to renovate and operate the Project in accordance with the terms and conditions of the Redevelopment Agreement, and, at all times prior to the tenth (10<sup>th</sup>) anniversary date, abide by the covenants running with and affecting the Land set forth in Sections 8.01(d), 8.01(j), 8.01(k), 8.02 and 8.06 of the Redevelopment Agreement (subject to the earlier termination of Section 8.02 in accordance with its terms) (collectively, the "Performance Covenants"); and

Whereas, The Mortgagor is also obligated to comply with, among other things, the following sections of the Redevelopment Agreement applicable to the rehabilitation work; the prevailing wage requirements in Section 8.09; the employment opportunity, City resident employment and M.B.E./W.B.E. utilization requirements in Section 8.07 and Sections 10.01, 10.02 and 10.03 (collectively, the "Other Covenants"); and

Whereas, The failure of the Mortgagor to comply with the Performance Covenants, the Other Covenants or its obligations under this Mortgage shall entitle the City to recover the City Funds if such failure constitutes an event of Default under Section 5.1 below; and

Whereas, The parties intend that this Mortgage secure the Mortgagor's performance of the Performance Covenants, the Other Covenants, the Mortgagor's obligations under this Mortgage and the repayment of the City Funds in the event of an Event of Default;

Now, Therefore, To secure the performance by Mortgagor of such covenants and obligations, and in order to charge the properties, interests and rights hereinafter described with such mortgage lien, Mortgagor has executed and delivered the Mortgage and does hereby grant, convey, assign, mortgage, warrant, grant a security interest in, and confirm unto, Mortgagee and its successors and assigns forever, all of the following rights, interests, claims and property (collectively, the "Mortgaged Property"), subject to the title matters, liens and encumbrances set forth in (Sub)Exhibit B attached hereto:

(A) the Land, together with all easements, water rights, hereditaments, mineral rights and other claims, rights and interests appurtenant thereto;

(B) all buildings, structures and other improvements of every nature whatsoever now or hereafter situated on the Land, including, without limitation, the Project, all fixtures or attachments of every kind and nature whatsoever now or hereafter owned by Mortgagor which are or shall be attached to, located in or on, forming a part of, used or intended to be used in connection with or incorporated in the Land or such buildings, structures and other improvements, including all extensions, additions, improvements, betterments, renewals and replacements of any of the foregoing ("Improvements");

(C) all tenements, easements, rights-of-way and rights used as a means of access to the Land and Improvements and appurtenances thereto now or hereafter belonging or pertaining thereto;

(D) all rents and issues of the Land and Improvements from time to time and all of the estate, right, title, interest, property, possession, claim and demand at law, as well as in equity of Mortgagor, in and to the same;

(E) all right, title and interest of Mortgagor in and to all, fixtures, personal property of any kind or character now or hereafter attached to, contained in and used or useful in connection with the Land or the Improvements, together with all furniture, floor covering, fittings, furnishings, apparatus, goods, systems, fixtures and other items of personal property of every kind and nature, now or hereafter located in, upon or affixed to the Land or the Improvements, or used or useful in connection with any present or future operation of the Land or the Improvements, including, but not limited to, all apparatus and equipment used to supply heat, gas, air conditioning, water, light, power, refrigeration, electricity, plumbing and ventilation, including all renewals, additions and accessories to and replacements of and substitutions for each and all of the foregoing, and all proceeds therefrom (the "Equipment");

(F) all of the estate, interest, right, title or other claim or demand which Mortgagor now has or may acquire with respect to (i) proceeds of insurance in effect with respect to the Land, the Improvements or the Equipment, and (ii) any and all awards, claims for damages, judgments, settlements and other compensation made for or consequent upon the taking by condemnation, eminent domain or any like proceeding of all or any portion of the Land, the Improvements or the Equipment;

(G) all intangible personal property, accounts, licenses, permits, instruments, contract rights, and chattel paper of Mortgagor, including, but not limited to cash, accounts receivable, bank accounts, certificates of deposit, rights (if any) to amounts held in escrow, deposits, judgments, liens and causes of action, warranties and guarantees, relating to the Land, the Equipment or the Improvements;

(H) all other property rights of Mortgagor of any kind or character related to all or any portion of the Land, the Improvements or the Equipment; and

(I) the proceeds from the sale, transfer, pledge or other disposition of any or all of the property described in the preceding clauses.

All of the land, improvements, estate and property herein above described, real, personal and mixed, whether or not affixed or annexed, and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared, to the maximum extent permitted by law, to form a part and parcel of the Land and Improvements and to be appropriated to the use thereof, and shall for the purposes of the Mortgage deemed to be conveyed and mortgaged hereby; provided, however, as to any property, aforesaid which does not so form a part and parcel of the Land and Improvements, the Mortgage is hereby deemed also to be a Security Agreement under the Uniform Commercial Code of the State of Illinois (the "Code") for the purposes of granting a security interest in such property, which Mortgagor hereby grants to Mortgagee as secured party (as defined in the Code) and as also contemplated and provided for in Section 6.10 hereof.

To Have And To Hold the Mortgaged Property and all parts thereof unto Mortgagee, its successors and assigns, to its own proper use, benefit and advantage forever, subject, however, to the terms, covenants and conditions herein;

Without limitation of the foregoing, Mortgagor hereby further grants unto Mortgagee, pursuant to the provisions of the Code, a security interest in all of the above-described property which are or are to become fixtures.

This Mortgage Is Given To Secure: (a) the performance by the Mortgagor of the Performance Covenants, the Other Covenants and the Mortgagor's other obligations under this Mortgage, and (b) the repayment of City Funds upon the occurrence of an Event of Default.

#### *Section I.*

#### *Incorporation Of Recitals.*

The Mortgagor acknowledges and agrees that the recitals set forth above constitute an integral part of the Mortgage and are hereby incorporated herein by this reference.

*Section II.*

*Incorporation Of Redevelopment Agreement Provisions.*

The Mortgagor acknowledges and agrees that all of the sections of the Redevelopment Agreement cited in the recitals to this Mortgage, along with all defined terms used in such sections and all other defined terms from the Redevelopment Agreement that are used in this Mortgage, together with such other provisions of the Redevelopment Agreement as may be necessary to reasonably construe such sections and defined terms, are incorporated herein by reference as if fully written out and included as definitions and independent covenants in this Mortgage.

*Section III.*

*Covenants.*

The Mortgagor covenants, represents and warrants to Mortgagee that:

**3.1 Redevelopment Agreement Covenants.**

Mortgagor shall comply with the performance covenants and the other covenants.

**3.2 Maintenance Of The Mortgaged Property.**

(a) Mortgagor shall preserve and maintain the Mortgaged Property in good condition and repair, shall not commit or suffer any waste thereof, and shall keep the same in a clean, orderly and attractive condition. Mortgagor shall not do or suffer to be done anything which will increase the risk of fire or other hazard to the Mortgaged Property or any part thereof beyond the risks normally associated with the use of the Mortgaged Property for theatrical purposes.

(b) If the Mortgaged Property or any part thereof is damaged by fire or any other cause, Mortgagor will immediately give written notice of the same to Mortgagee.

(c) Mortgagor shall comply with, and cause the Mortgaged Property to comply with, all present and future laws, ordinances, orders, rules, regulations and requirements of any governmental authority applicable to the Mortgaged Property, or any part thereof, and with all recorded restrictions and encumbrances affecting

the Mortgaged Property, or any part thereof.

### 3.3 Subordination.

Mortgagee acknowledges that the lien of this Mortgage shall be subject and subordinate to any Mortgage lien granted by Mortgagor in favor of that certain Mortgage and security agreement dated \_\_\_\_\_, 2002 executed by the Mortgagor in favor of Uptown National Bank. [Add Reference To Additional Mortgage If Uptown National Bank Has Two Mortgages]

## *Section IV.*

### *Repayment Obligation.*

#### 4.1 Generally.

If, during the period of time from the execution date of the Mortgage until tenth (10<sup>th</sup>) anniversary date (the "Enforceability Period"), the Mortgagor fails to comply with the Performance Covenants, the Other Covenants or its other obligations under this Mortgage, and such failure constitutes an event of default, the Mortgagor shall, without further notice or cure period, automatically and immediately become obligated to repay to the City an amount equal to the city funds previously paid to the Mortgagor, plus all protective advances (as hereinafter defined) and other amounts payable under this Mortgage (whether then owing, or thereafter accruing). In the event Mortgagor fails to immediately pay such amount, the Mortgagee may proceed to foreclose this Mortgage and to exercise any other rights and remedies available to Mortgagee under this Mortgage and the Redevelopment Agreement and at law, in equity or otherwise.

#### 4.2 Release Of Mortgage.

Upon the expiration of the enforceability period, then the Mortgagee shall, within thirty (30) days of receipt of a written request from Mortgagor, execute a release of this Mortgage in recordable form.

*Section V.**Default.***5.1 Events Of Default.**

As used in this Mortgage, the term "Event of Default" shall mean (a) the failure by Mortgagor to comply with (a) a Performance Covenant or Other Covenants, which failure constitutes an event of default under the Redevelopment Agreement, and/or (b) the failure by Mortgagor to comply with its obligations under Section 3.2 of this Mortgage, which remains unremedied for thirty (30) days after notice thereof from Mortgagee to Mortgagor, provided, however, that if any such default cannot reasonably be remedied within said thirty (30) day period and if Mortgagor shall have commenced to remedy such default within said thirty (30) day period and shall thereafter continue diligently to effect such remedy, then said thirty (30) day period shall be extended until such cure is effected (provided, however, that Mortgagee shall not be precluded during any such periods from exercising any remedies available under any of this Mortgage if its security becomes or is about to become materially jeopardized by any failure to cure a default).

**5.2 Mortgagee's Options; Subrogation.**

(a) In case of an event of default, Mortgagee may make any payment or perform any act required of Mortgagor and may make full or partial payments of principal or interest on any lender financing or prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem the Mortgaged Property from any tax sale or forfeiture affecting the Mortgaged Property or contest any tax or assessment thereon. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including reasonable attorneys' fees, and any other monies advanced by Mortgagee to protect the Mortgaged Property and the lien hereof, shall be deemed additional indebtedness secured hereby. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor.

(b) To the extent that Mortgagee, on or after the date hereof, pays any sum under any provision of law or any instrument or document creating any lien or other interest prior or superior to the lien of this Mortgage, or Mortgagor or any other person or entity pays any such sum with the proceeds of the indebtedness secured hereby, Mortgagee shall have and be entitled to a lien or other interest on the Mortgaged Property equal in priority to the lien or other interest discharged and Mortgagee shall be subrogated to, and receive and enjoy all rights and liens possessed, held or enjoyed by, the holder of such lien, which shall remain in

existence and benefit Mortgagee in securing the indebtedness secured hereby; provided however Mortgagee shall not be entitled to a lien or other interest in the Mortgaged Property pursuant to any lien created by the lender financing documents.

### 5.3 Remedies.

Mortgagee's remedies as provided in this Mortgage and the Redevelopment Agreement shall be cumulative and concurrent and may be pursued singularly, successively or together, at the sole discretion of mortgagee and may be exercised as often as occasion therefor shall arise, and shall not be exclusive but shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute.

### 5.4 Additional Indebtedness.

In the event that the Mortgagee retains an attorney to: (a) assist in collecting amounts owed or enforcing the Mortgagee's rights under this Mortgage or the Redevelopment Agreement; (b) represent Mortgagee in any bankruptcy, reorganization, receivership or other proceedings affecting creditors' rights and involving a claim under this Mortgage or the Redevelopment Agreement; (c) protect or enforce the lien of this Mortgage; or (d) represent Mortgagee in any other proceedings whatsoever in connection with this Mortgage, the Redevelopment Agreement or the Mortgaged Property, then Mortgagor shall pay to Mortgagee all reasonable attorneys' fees, and all costs and expenses incurred in connection therewith.

### 5.5 No Waiver.

Failure of Mortgagee, for any period of time or on more than one (1) occasion, to exercise any such remedy shall not constitute a waiver of the right to exercise the same at any time thereafter or in the event of any subsequent event of default. No act of omission or commission of Mortgagee, including specifically any failure to exercise any right or remedy, shall be deemed to be a waiver or release of the same; any such waiver or release is to be effected only through a written document executed by Mortgagee and then only to the extent specifically recited therein. A waiver or release with reference to any one (1) event shall not be construed as a waiver or release of any subsequent event or as a bar to any subsequent exercise of Mortgagee's rights or remedies hereunder. Except as otherwise specifically required herein, notice of the exercise of any right or remedy granted to Mortgagee is not required to be given.



### 5.6 Right Of Possession.

To the extent permitted by law, in any case in which, under the provisions of this Mortgage, Mortgagee has a right to institute foreclosure proceedings, whether before or after the institution of such proceedings or before or after sale thereunder, Mortgagor shall, at the option of Mortgagee, surrender to Mortgagee, and Mortgagee shall be entitled to take, actual possession of all or any portion of the Mortgaged Property personally or by its agents or attorneys, and Mortgagee, in its sole discretion, may enter upon, take and maintain possession of all or any portion of the Mortgaged Property.

Upon taking possession of the Mortgaged Property, Mortgagee may make all necessary or proper repairs, decoration, renewals, replacements, alterations, additions, betterments and improvements in connection with the Mortgaged Property as it may deem judicious to insure, protect and maintain the Mortgaged Property against all risks incidental to Mortgagee's possession, operation and management thereof, and may receive all rents, issues and profits therefrom.

### 5.7 Foreclosure Sale.

The Mortgaged Property or any interest or estate therein sold pursuant to any court order or decree obtained under this mortgage shall be sold in one (1) parcel, as an entirety, or in such parcels and in such manner or order as Mortgagee, in its sole discretion, may elect, to the maximum extent permitted by Illinois law. At any such sale, Mortgagee may bid for and acquire, as purchaser, all or any portion of the Mortgaged Property and, in lieu of paying cash therefor, may make settlement for the purchase price by crediting upon the indebtedness due the amount of Mortgagee's bid.

### 5.8 Application Of Proceeds From Foreclosure Sale.

Proceeds of any foreclosure sale of the Mortgaged Property shall be distributed and applied in the following order of priority: (i) on account of all costs and expenses incident to the foreclosure proceedings, (ii) the amounts owed pursuant to Section 4.1 of this Mortgage, and otherwise due and payable under this Mortgage, with interest thereon at the rate of fifteen percent (15%) per annum (the "Interest Rate"), and (iii) any surplus or remaining funds to Mortgagor, its successors or assigns, as their rights may appear.

### 5.9 Insurance Upon Foreclosure.

Wherever provision is made in the Redevelopment Agreement for insurance policies to bear Mortgage clauses or other loss payable clauses or endorsements in

favor of Mortgage, or to confer authority upon Mortgage to settle or participate in the settlement of losses under policies of insurance or to hold and disburse or otherwise control use of insurance proceeds, from and after the entry of judgment of foreclosure all such rights and powers of Mortgage shall continue in Mortgage as judgment creditor or Mortgage until confirmation of sale. Upon confirmation of sale, Mortgage shall be empowered to assign all policies of insurance to the purchaser at the sale. In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in restoring the Mortgaged Property, shall be used to pay the amount due in accordance with any foreclosure decree that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct.

5.10 Waiver Of Statutory Rights.

To the extent permitted by law, Mortgage shall not apply for or avail itself of any appraisal, valuation, redemption, reinstatement, stay, extension or exemption laws or any so-called "Mortgage Laws" now existing or hereafter enacted, in order to prevent or hinder the enforcement of foreclosure of this Mortgage and hereby waives the benefit of such laws. Mortgage, for itself and all who may claim through or under it, waives any and all right to have the Property and estates comprising the Mortgaged Property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety. To the extent permitted by law, Mortgage hereby expressly waives any and all rights of redemption and reinstatement, on its own behalf and on behalf of each and every person having a beneficial interest in Mortgage, it being the intent hereof that any and all such rights of redemption or reinstatement of Mortgage and of all other persons are and shall be deemed to be hereby waived. Mortgage acknowledges that the Mortgaged Property do not constitute agricultural real estate, as said term is defined in Section 5/15-1201 of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101, et seq. (the "Act") or residential real estate as defined in Section 5/15-1219 of the Act.

5.11 Partial Payments.

Acceptance by Mortgage of any payment which is less than payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of Mortgage's right to exercise its option to declare the whole of the sum then remaining unpaid, together with all interest thereon at the interest rate, immediately due and payable without notice, or any other rights of Mortgage at that time or any subsequent time, without its express written consent, except and to the extent otherwise provided by law.

### 5.12 Rescission Of Election.

The obligation to make immediate payment of the City Funds, once such payment becomes due under the terms of this Mortgage, may at the option of Mortgagee be rescinded, and any proceedings brought to enforce any rights or remedies hereunder may, at Mortgagee's option, be discontinued or dismissed. In either of such events, Mortgagor and Mortgagee shall be restored to their former positions, and the rights, remedies and powers of Mortgagee shall continue as if such obligation to make immediate payment had not been made or such proceedings had not been commenced, as the case may be.

### 5.13 Protective Advances; Maximum Amount Of Indebtedness.

All advances, disbursements and expenditures made by Mortgagee before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Mortgage or by the Act (collectively "Protective Advances"), shall have the benefit of all applicable provisions of the Act, including those provisions of the Act herein below referred to:

(a) all advances by Mortgagee to: (i) preserve or maintain, repair, restore or rebuild the improvements upon the mortgaged property; (ii) preserve the lien of this Mortgage or the priority thereof; or (iii) enforce this Mortgage, as referred to in subsection (b)(5) of Section 5/15-1302 of the Act;

(b) payments by Mortgagee of: (i) when due, installments of principal, interest or other obligations in accordance with the terms of the documents evidencing and securing the Lender Financing, if any, or other prior lien or encumbrance; (ii) when due, installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Mortgaged property or any part thereof; (iii) other obligations authorized by this Mortgage; or (iv) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 5/15-1505 of the Act;

(c) advances by Mortgagee in settlement or compromise of any claims asserted by claimants under any Mortgages or any other prior liens;

(d) reasonable attorneys' fees and other costs incurred: (i) in connection with the foreclosure of this Mortgage as referred to in Sections 5/15-1504(d)(2) and 5/15-1510 of the Act; (ii) in connection with any action, suit or proceeding brought by or against Mortgagee for the enforcement of this Mortgage or arising from the interest of Mortgagee hereunder; or (iii) in the preparation for the

commencement or defense of any such foreclosure or other action;

(e) Mortgagee's fees and costs, including reasonable attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Subsection (b)(1) of Section 5/15-1508 of the Act;

(f) advances of any amount required to make up a deficiency in deposits for or payments of installments of taxes and assessments and insurance premiums;

(g) expenses deductible from proceeds of sale as referred to in subsections (a) and (b) of Section 5/15-1512 of the Act;

(h) expenses incurred and expenditures made by Mortgagee for any one (1) or more of the following: (i) if the Mortgaged Property or any portion thereof constitutes one (1) or more units under a condominium declaration, assessments imposed upon the unit owner thereof; (ii) if any interest in the Mortgaged Property is a leasehold estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (iii) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or Mortgagee takes possession of the Mortgaged Property imposed by Subsection (c)(1) of Section 5/15-1704 of the Act; (iv) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (v) payments required or deemed by Mortgagee to be for the benefit of the Mortgaged Property or required to be made by the owner of the mortgaged property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Mortgaged Property; (vi) shared or common expense assessments payable to any association or corporation in which the owner of the Mortgaged Property is a member in any way affecting the mortgaged property; (vii) if the loan secured hereby is a construction loan, costs incurred by Mortgagee for demolition, preparation for and completion of construction, as may be authorized by the applicable commitment or loan agreement; (viii) pursuant to any lease or other agreement for occupancy of the Mortgaged Property; and (ix) if this Mortgage is insured, payments of F.H.A. or private mortgage insurance.

All protective advances shall be so much additional indebtedness secured by this mortgage.

This Mortgage shall be a lien for all protective advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to subsection (b)(1) of Section 5/15-1302 of the Act.

All protective advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in:

(1) the determination of the amount of indebtedness secured by this Mortgage at any time;

(2) the indebtedness found due and owing to Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;

(3) if the right of redemption has not been waived by this Mortgage, computation of amount required to redeem, pursuant to subsections (d)(2) and (e) of Section 5/15-1603 of the Act;

(4) the determination of amounts deductible from sale proceeds pursuant to Section 5/15-1512 of the Act;

(5) the application of income in the hands of any receiver or Mortgagee in possession; and

(6) the computation of any deficiency judgment pursuant to subsections (b)(2) and (c) of Section 5/15-1508 and Section 5/15-1511 of the Act.

The maximum principal amount of indebtedness secured by this Mortgage shall be One Million One Hundred Thousand Dollars (\$1,100,000), plus any protective advances, with interest on such sum at the interest rate.

#### *Section VI.*

#### *Miscellaneous Provisions.*

##### **6.1 Notice.**

Unless otherwise specified, any notice, demand or request required hereunder shall be given in the same manner as in Section 17 of the Redevelopment Agreement.

**6.2 Time.**

**Time is of the essence with respect to this Mortgage and the performance of the covenants contained herein.**

**6.3 Modifications.**

**This Mortgage may not be altered, amended, modified, canceled, changed or discharged except by written instrument signed by Mortgagor and Mortgagee or their respective permitted successors and permitted assigns.**

**6.4 Headings.**

**The headings of articles, sections, paragraphs and subparagraphs in this Mortgage are for convenience of reference only and shall not be construed in any way to limit or define the content, scope or intent of the provisions hereof.**

**6.5 Governing Law; Venue; Jurisdiction.**

**This Mortgage shall be construed and enforced according to the internal laws of the State of Illinois without regard to its conflict of laws principles. If there is a lawsuit under this Mortgage, each party agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois, or the United States District Court for the Northern District of Illinois.**

**6.6 Severability.**

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

**6.7 Grammar.**

**As used in this Mortgage, the singular shall include the plural, and masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.**

#### 6.8 Successors And Assigns.

This Mortgage and each and every covenant, agreement and other provision hereof shall be binding upon Mortgagor and its successors and assigns (including, without limitation, each and every record owner of the Mortgaged Property or any other person having an interest therein), and shall inure to the benefit of Mortgagee and its successors and assigns. Nothing in this Section 6.8 shall be construed to modify the transfer and assignment limitations set forth in the Redevelopment Agreement.

#### 6.9 Further Assurances.

Mortgagor will perform, execute, acknowledge and deliver every act, deed, conveyance, transfer and assurance necessary or proper, in the reasonable judgment of Mortgagee, for assuring, conveying, mortgaging, assigning and confirming to Mortgagee all property Mortgaged hereby or property intended so to be, whether now owned or hereafter acquired by Mortgagor, and for creating, maintaining and preserving the lien and security interest created hereby on the Mortgaged Property. Upon any failure by Mortgagor to do so, Mortgagee may make, execute and record any and all such documents for and in the name of Mortgagor, and Mortgagor hereby irrevocably appoints Mortgagee and its agents as attorney-in-fact for that purpose. Mortgagor will reimburse Mortgagee for any sums expended by Mortgagee in making, executing and recording such documents including attorneys' fees and court costs.

#### 6.10 Security Agreement.

This Mortgage shall be construed as a "security agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the State of Illinois with respect to any part of the Mortgaged Property which constitutes fixtures or personal property. Mortgagee shall have all the rights with respect to such fixtures or personal property afforded to it by said Uniform Commercial Code in addition to, but not in limitation of, the other rights afforded Mortgagee by this Mortgage or any other agreement. Upon the recording hereof, this Mortgage shall constitute a financing statement under the Uniform Commercial Code, with mortgagor being the debtor, Mortgagee being the secured party, and the parties having the addresses set forth in the recitals. This Mortgage is a "construction mortgage" as that term is defined in Section 9-313 (1)(c) of said Uniform Commercial Code.

#### 6.11 No Merger.

It being the desire and intention of the parties hereto that this Mortgage and the lien thereof do not merge in fee simple title, it is hereby understood and agreed that

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should Mortgagee acquire any additional or other interests in or to the Mortgaged Property or the ownership thereof, then, unless a contrary interest is manifested by Mortgagee, as evidenced by an appropriate document duly recorded, this Mortgage and the lien thereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

In Witness Whereof, The undersigned have caused this mortgage to be executed as of the day and year first above written.

Mortgagor:

Raven Theatre Company, an Illinois not-for-profit corporation

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

For purposes of Section 3.3:

Mortgagee:

City of Chicago, acting by and through  
its Department of Planning and  
Development

---

Alicia Mazur Berg,  
Commissioner



State of Illinois )  
 )SS.  
County of Cook )

I, the undersigned, a notary public in and for the County and State aforesaid, do hereby certify that Alicia Mazur Berg, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago, Illinois (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 as such Commissioner, she signed and delivered the said instrument pursuant to authority, as her free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and purposes therein set forth.

Given under my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

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

My commission expires: \_\_\_\_\_

[Seal]

State of Illinois )  
 )SS.  
County of Cook )

I, \_\_\_\_\_, a notary public in and for the said County, in the State aforesaid, do hereby certify that \_\_\_\_\_, personally known to me to be the \_\_\_\_\_ of Raven Theatre Company, an Illinois limited liability company (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed and delivered said instrument, pursuant to the authority given to him/her by the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

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Given under my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

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

My commission expires: \_\_\_\_\_

[Seal]

(Sub)Exhibits "A" and "B" referred to in this Junior Construction Mortgage by Raven Theatre Company read as follows:

*(Sub)Exhibit "A".*  
(To Junior Construction Mortgage By  
Raven Theatre Company)

*Property Legal Description.*

Permanent Index Numbers: \_\_\_\_\_

Commonly known as: 6157 North Clark Street, Chicago,  
Illinois.

*(Sub)Exhibit "B".*  
(To Junior Construction Mortgage By  
Raven Theatre Company)

Those matters set forth as Title Exceptions on Schedule B in the Mortgagee's lender's title insurance policy \_\_\_\_\_ issued by Chicago Title Insurance Company to the City of Chicago as of the date hereof.

*(Sub)Exhibit "G".***(To Raven Theatre Company Redevelopment Agreement)***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.

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

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

*(Sub)Exhibit "H-1".***(To Raven Theatre Company Redevelopment Agreement)***Project Budget.*

<b>Acquisition:</b>	<b>\$ 860,000</b>
<b>Hard Costs:</b>	
<b>Construction/Landscaping/Facade</b>	<b>\$ 855,472</b>
<b>Equipment</b>	<b>\$ 16,041</b>
<b>Subtotal Hard Costs:</b>	<b>\$ 871,513</b>
<b>Soft Costs:</b>	
<b>Architectural/Legal Fund-raising</b>	<b>\$ 106,200</b>

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Interest Payments Through Construction	\$ 115,287
Loan Fees	\$ 27,000
Subtotal Soft Costs:	\$ 248,487
Total Uses:	\$1,980,000

*(Sub)Exhibit "H-2".*

*(To Raven Theatre Company Redevelopment Agreement)*

*M.B.E./W.B.E.*

**Hard Costs:**

The Dobbins Group Construction	\$799,755
Total M.B.E./W.B.E. Costs:	\$799,755

*(Sub)Exhibit "J".*

*(To Raven Theatre Company Redevelopment Agreement)*

*Opinion Of Developer's Counsel.*

City of Chicago  
121 North LaSalle Street  
Chicago, Illinois 60602

Attention: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to \_\_\_\_\_, an [Illinois] \_\_\_\_\_ (the "Developer"), in connection with the purchase of certain land and the construction of certain facilities thereon located in the \_\_\_\_\_ Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

(a) [\_\_\_\_\_] Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the City of Chicago (the "City");

[(b) the Escrow Agreement of even date herewith executed by the Developer and the City;]

(c) [insert other documents including but not limited to documents related to purchase and financing of the Property and all lender financing related to the Project]; and

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

In addition to the foregoing, we have examined:

(a) the original or certified, conformed or photostatic copies of the Developer's (i) Articles of Incorporation, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) Bylaws, as amended to date, and (iv) records of all corporate proceedings relating to the Project [revise if the Developer is not a corporation]; and

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

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

Based on the foregoing, it is our opinion that:

1. The Developer is a corporation duly organized, validly existing and in good standing under the laws of its state of [incorporation] [organization], has full power and authority to own and lease its properties and to carry on its business as

presently conducted, and is in good standing and duly qualified to do business as a foreign [corporation] [entity] under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

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

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

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

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

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

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

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

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

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

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

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than federal laws of the United States of America and the laws of the State of Illinois. (Note: include a reference to the laws of the state of incorporation/organization of the Developer, if other than Illinois.)

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

Very truly yours,

\_\_\_\_\_

[(Sub)Exhibit "A" referred to in this Opinion of Developer's Counsel unavailable at time of printing.]

(Sub)Exhibit "K".  
(To Raven Theatre Company  
Redevelopment Agreement)

*Requisition Form.*

State of Illinois )  
                          )SS.  
County of Cook )

The affiant, of \_\_\_\_\_ of \_\_\_\_\_, a  
\_\_\_\_\_ (the "Developer"), hereby certifies that with respect  
to that certain \_\_\_\_\_ Redevelopment Agreement between the  
Developer and the City of Chicago dated \_\_\_\_\_; \_\_\_\_\_ (the "Agreement");

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

B. This paragraph B sets forth and is a true and complete statement of all costs  
of T.I.F.-Funded Improvements for the Project reimbursed by the City to date:  
[Insert Amount Equal Total City Funds Paid To Date] \$ \_\_\_\_\_ for  
acquisition costs.

C. The Developer requests reimbursement for the following cost of T.I.F.-Funded  
Improvements: [Insert Amount, Not To Exceed Seventy-Five Thousand Dollars  
(\$75,000), Unless "Catch-up" Payment Is Due] \$ \_\_\_\_\_.



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

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

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

3. Attached is a copy of the Developer's Financial Statements for the Developer's most recently-concluded fiscal year.

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

[Developer]

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_.

My commission expires: \_\_\_\_\_

Agreed and Accepted:

\_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

City of Chicago,  
Department of Planning  
and Development

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[Certificate and Developer's Financial Statements referred to in this Requisition Form unavailable at time of printing.]

*(Sub)Exhibit "L".*

*(To Raven Theatre Company Redevelopment Agreement)*

*Form Of City Note.*

Registered Maximum Amount

Number R-1\$ 370,000.00

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note

Clark Street And Ridge Avenue Redevelopment Project Area

(Raven Theatre Company Redevelopment Project)

Taxable Series A.

Registered Owner:

Raven Theatre Company

Interest Rate:

\_\_\_\_\_ per annum

Maturity Date:

\_\_\_\_\_, 2022

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 Three Hundred Seventy Thousand Dollars (\$370,000) 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 three hundred sixty (360) day year of twelve (12) thirty (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 is payable solely from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) and is due in schedule payments of Seventy-five Thousand Dollars (\$75,000) on August 1<sup>st</sup> and February 1<sup>st</sup> of each year until the earlier of Maturity Date or until this Note is paid in full (or the City's obligation to make further payments is terminated under the terms of the Redevelopment Agreement), subject to the limitations set forth in Section 4.03. 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 (15<sup>th</sup>) 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 original principal outstanding amount of Three Hundred Seventy Thousand Dollars (\$370,000) for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Raven Theatre Company (the "Project"), which has acquired and renovated the building located at 6157 North Clark Street in the Clark Street and Ridge Avenue 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 "T.I.F. 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 \_\_\_\_\_ 2002 (the "Ordinance"); in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement (and in particular, Section 4.03 thereof) 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 This City, And Is Payable Solely From Available Incremental Taxes (And Subject Further To The Limitations In Section 4.03 Of The Redevelopment Agreement) 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 one hundred percent (100%) of the principal amount thereof being redeemed (plus any accrued and unpaid interest). 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 (15<sup>th</sup>) 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 \_\_\_\_\_, 2002 between the City and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner has acquired the Project and advanced funds related to such acquisition on behalf of the City. A portion of the Registered Owner's cost of acquiring the Project in the amount of Three Hundred Seventy Thousand Dollars (\$370,000) 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 terminate payments of principal and of interest on this Note upon the occurrence of certain conditions and to recover amounts previously paid with respect to this Note. Subject to Section 15.02 (with respect to possible continuing payments to Uptown National Bank or a successor lender providing permitted Lender Financing), 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.

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 \_\_\_\_\_, 2002.

\_\_\_\_\_  
Mayor



**CITY OF CHICAGO**  
**Department of Planning and Development**

**PRINCIPAL PROFILE SHEET**

**Company:** Raven Theatre Company

Form must be filled out COMPLETELY for individuals and entities owning any interest in order for application to be processed.

For TRUSTS or other entities owning an interest in the borrower, please provide complete information on the trustee and beneficiary on a separate sheet.

**Name:** Michael Menendian - Executive Director

**Home Address:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_

**Social Security Number:** \_\_\_\_\_

**Date of Birth:** \_\_\_\_\_

**Driver's License Number:** \_\_\_\_\_

**License Plate Number:** \_\_\_\_\_

**Percentage Ownership of Company:** N/A

**Name:** Mark Yates - Board Member and Managing Director

**Home Address:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_

**Social Security Number:** \_\_\_\_\_

**Date of Birth:** \_\_\_\_\_

**Driver's License Number:** \_\_\_\_\_

**License Plate Number:** \_\_\_\_\_

**Percentage Ownership of Company:** N/A

**Name:** Arnold Ordman, Ph.D. - President

**Home Address:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_

**Social Security Number:** \_\_\_\_\_

**Date of Birth:** \_\_\_\_\_

**Driver's License Number:** \_\_\_\_\_

**License Plate Number:** \_\_\_\_\_

**Percentage Ownership of Company:** N/A

**FORM MUST BE TYPED**  
*Duplicate Form if Necessary*



**CITY OF CHICAGO  
Department of Planning and Development**

**PRINCIPAL PROFILE SHEET**

**Company:** Raven Theatre Co.

Form must be filled out **COMPLETELY** for individuals and entities owning any interest in order for application to be processed.  
For TRUSTS or other entities owning an interest in the borrower, please provide complete information on the trustee and beneficiary on a separate sheet.

<b>Name:</b> <u>Joann Montemurro - General Manager</u> <b>Home Address:</b> <u>[REDACTED]</u> <b>Telephone:</b> <u>[REDACTED]</u> <b>Social Security Number:</b> <u>[REDACTED]</u> <b>Date of Birth:</b> <u>[REDACTED]</u> <b>Driver's License Number:</b> <u>[REDACTED]</u> <b>License Plate Number:</b> <u>[REDACTED]</u> <b>Percentage Ownership of Company:</b> <u>N/A</u>
<b>Name:</b> <u>Eva Wahl - Secretary</u> <b>Home Address:</b> <u>[REDACTED]</u> <b>Telephone:</b> <u>[REDACTED]</u> <b>Social Security Number:</b> <u>[REDACTED]</u> <b>Date of Birth:</b> <u>[REDACTED]</u> <b>Driver's License Number:</b> <u>[REDACTED]</u> <b>License Plate Number:</b> <u>[REDACTED]</u> <b>Percentage Ownership of Company:</b> <u>N/A</u>
<b>Name:</b> <u>Howard Levinson - Treasurer</u> <b>Home Address:</b> <u>[REDACTED]</u> <b>Telephone:</b> <u>[REDACTED]</u> <b>Social Security Number:</b> <u>[REDACTED]</u> <b>Date of Birth:</b> <u>[REDACTED]</u> <b>Driver's License Number:</b> <u>[REDACTED]</u> <b>License Plate Number:</b> <u>[REDACTED]</u> <b>Percentage Ownership of Company:</b> <u>N/A</u>

**FORM MUST BE TYPED**  
*Duplicate Form if Necessary*

To not write below this line except to refered, prior to admission to City Council or on the date of closing.

RECERTIFICATION

For good and valuable consideration the receipt and sufficiency of which are hereby acknowledged the undersigned hereby represents, under penalty of perjury, that all certifications and statements contained in this SOS are true accurate and complete as of the date furnished to the City and continue to be true accurate and complete as of the date hereof

Michael Merendian  
Print or type name of individual or legal entity

By: [Signature]  
Sign here

Title of signatory \_\_\_\_\_

Print or type name of signatory \_\_\_\_\_

Date \_\_\_\_\_ 200\_\_

Subscribed to before me this 12<sup>th</sup> day of March, 2002  
at 200 in Cook County, Illinois

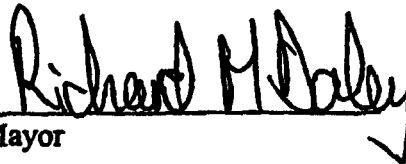
Yolanda Quesada  
Notary Public

Commission expires: Aug. 17, 2005



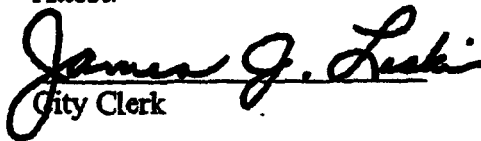


IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of ~~September 11~~, 2002.

  
Mayor

(SEAL)

Attest:

  
City Clerk

**CERTIFICATE OF AUTHENTICATION**

This Note is described in the within mentioned Ordinance and is the \$370,000 Tax Increment Allocation Revenue Note, Clark Street and Ridge Avenue Redevelopment Project Area Redevelopment Project (Raven Theatre Company Project) Taxable Series A, of the City of Chicago, Cook County, Illinois.

Registrar and Paying Agent:

Comptroller of the City of Chicago, Cook County, Illinois

Comptroller:



Date: ~~September 11~~, 2002