

Contract Summary Sheet

Contract (PO) Number: 10893

Specification Number: 42594

Name of Contractor: CHICAGO GREEN WORKS LLC

City Department: PLANNING & DEVELOPMENT

Title of Contract: 551 N. Sacramento Blvd.

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

\$6,148,331.00

PO Start Date: 10/27/2005

PO End Date: 12/31/2022

Brief Description of Work: 551 N. Sacramento Blvd.

Procurement Services Contact Person: THOMAS DZIEDZIC

Vendor Number: 50088481

Submission Date:

DEC 13 2005

Yeas -- Aldermen Haithcock, Tillman, Preckwinkle, Hairston, Beavers, Stroger, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, Brookins, Muñoz, Zalewski, Chandler, Solis, Ocasio, E. Smith, Carothers, Reboyras, Suarez, Matlak, Mell, Austin, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

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

The following is said ordinance as passed:

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

SECTION 1. The City Council hereby approves the agreement between the City of Chicago and the Illinois Nurses Association, attached hereto as Exhibit A. The Mayor is authorized to execute this agreement.

SECTION 2. This ordinance shall be in force and effect upon its passage and approval.

[Exhibit "A" referred to in this ordinance omitted
for printing purposes but on file and
available for public inspection in
the Office of the City Clerk.]

DESIGNATION OF CHICAGO GREEN WORKS, L.L.C. AS PROJECT
DEVELOPER AND AUTHORIZATION FOR EXECUTION OF
REDEVELOPMENT AGREEMENT FOR PROPERTY
AT 551 NORTH SACRAMENTO BOULEVARD.

The Committee on Finance submitted the following report:

CHICAGO, July 27, 2005.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing entering into and executing a redevelopment agreement with Chicago GreenWorks, L.L.C., having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

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

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Haithcock, Tillman, Preckwinkle, Hairston, Beavers, Stroger, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, Brookins, Muñoz, Zalewski, Chandler, Solis, Ocasio, E. Smith, Carothers, Reboyras, Suarez, Matlak, Mell, Austin, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

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

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 June 10, 1998, a certain redevelopment plan and project (the "Plan") for the Kinzie Industrial Corridor 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 June 10, 1998, 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 June 10, 1998, 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, Pursuant to a negotiated sale, Chicago GreenWorks, L.L.C., an Illinois limited liability company (the "Company"), will acquire from the City three (3) parcels of real property depicted on Exhibit A attached hereto and made a part hereof and identified thereon as the Phase I parcels (the "Phase I Parcels"); and

WHEREAS, The Company may also, from time to time, acquire from the City one (1) or more of the six (6) additional parcels of real property depicted on Exhibit A and identified thereon as the Phase II parcels (each, if conveyed, a "Phase II Parcel" and collectively, the "Phase II Parcels") (the Phase I Parcels and the Phase II Parcels, to the extent acquired, shall be referred to in this ordinance collectively as the "City Parcels"); and

WHEREAS, All such acquisitions shall be for the consideration and subject to the terms of the Redevelopment Agreement (as such term is defined below); and

WHEREAS, All City Parcels comprise an approximately twelve (12) acre site located within the Area at approximately 551 North Sacramento Boulevard, Chicago, Illinois and legally described on Exhibit B attached hereto and made a part hereof (such twelve (12) acre site, the "Site"); and

WHEREAS, The Company shall undertake on the applicable portions of the Site: (1) the construction of an interior road and dedication to the City of such interior road as a public right of way; (2) the construction of an approximately ten thousand (10,000) square foot repair and work shop and an approximately seven thousand (7,000) square foot office to be used as the headquarters for Christy Webber Landscapes, an affiliate of the Company; (3) the construction of a detention pond; (4) the sale of one (1) of the Phase I Parcels to an adjoining business for parking; and (5) in cooperation with the City, the completion of certain required environmental remediation work (collectively, the "Phase I Project"); and

WHEREAS, The Company may also: (1) construct on the Site (a) a truck washing and fueling area for use by Christy Webber Landscapes and other businesses located on the Site, and (b) a training center for existing and new employees in the landscaping/environmental business; (2) acquire and immediately resell or lease certain Phase II Parcels to Qualified Purchasers and Qualified Lessees (as both such terms are defined in the Redevelopment Agreement); and (3) in cooperation with the City, complete certain environmental remediation work (collectively, the "Phase II Project" and, together with the Phase I Project, the "Project"); and

WHEREAS, The Company has proposed to undertake the redevelopment of the Site in accordance with the Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Company and the City 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") (or by the proceeds of the sale of tax increment allocation bond payments on which are secured by Incremental Taxes that the City may issue in the future); and

WHEREAS, Pursuant to Resolution 04-CDC-93 (the "Resolution") adopted by the Community Development Commission of the City of Chicago (the "Commission") on October 12, 2004, the Commission authorized the City's Department of Planning and Development ("D.P.D.") to publish notice pursuant to Section 5/11-74.4(c) of the Act of its intention to negotiate a redevelopment agreement with the Company for the Project and to request alternative proposals for redevelopment of the Site or a portion thereof; and

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

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

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

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

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

SECTION 3. The Commissioner of D.P.D. (the "Commissioner") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a redevelopment agreement between the Developer and the City in substantially in the form attached hereto as Exhibit C 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. Subject to the terms and conditions of the Redevelopment Agreement, the City is hereby authorized to sell and convey to the Developer the City Parcels listed on Exhibit A for the consideration set forth in the Redevelopment Agreement. The City Parcels shall be conveyed to the Developer subject to the Developer's execution of and in accordance with the terms and conditions of the Redevelopment Agreement. The Mayor or his proxy is authorized to execute, and the City Clerk is authorized to attest, from time to time, one (1) or more quitclaim deeds conveying one (1) more of the City Parcels to the Developer.

SECTION 5. 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 and the Redevelopment Agreement, including, without limitation, Section 18.01 thereof.

SECTION 6. 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 7. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this ordinance or the instruments authorized by this ordinance or to impair the security for or payment of the instruments authorized by this ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for violation of any provision of the Municipal Code.

SECTION 8. This ordinance shall be in full force and effect immediately upon its passage and approval.

[Exhibit "A" referred to in this ordinance printed
on page 52852 of this *Journal*.]

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

Exhibit "B".
(To Ordinance)

Legal Description Of Site.

A parcel of land located in the east half of the northwest quarter of Section 12, Township 39 North, Range 13, East of the Third Principal Meridian in Cook County, Illinois, said parcel comprised of a part of Lots 2, 3, 8, 10 and all of Lot 9 in Graydon and Carson's Subdivision in said east half of the northeast quarter and a part of Lot 28 in Griffin's Subdivision of all of Lots 1 and 4, also Lots 2 and 3 except the east 66.00 feet thereof, all in Graydon and Carson's Subdivision aforesaid, said parcel of land being bounded and described as follows:

commencing at a point in the east line of North Sacramento Boulevard (Sacramento Square), said east line being also the west line of Lots 18 through 25 in said Griffin's Subdivision, which point is 3.00 feet north of the southwest

corner of Lot 22 in said Griffin's Subdivision; thence east along a line perpendicular to said east line of Sacramento Boulevard, a distance of 502.49 feet to the point of beginning of the hereinafter described parcel of land; thence northeasterly along a straight line which makes an angle of 70 degrees, 16 minutes, 05 seconds from west to southwest with said perpendicular line and the southwesterly extension of said straight line, a distance of 7.44 feet to a point which is 10 feet north and 505.00 feet east, measured perpendicularly, from said southwest corner of Lot 22 in Griffin's Subdivision; thence northeasterly along a straight line, a distance of 104.34 feet to an intersection with a line which is 595.00 feet east of and parallel with the west line of the east half of the northwest quarter, said parallel line being also the east line of the parcel of land conveyed to Sprague Warner and Company by deed recorded October 3, 1941 as Document 12768767, a distance of 512.40 feet; thence east along a line perpendicular to the last described line, a distance of 75.85 feet to an intersection with the east line of Lot 3 in said Graydon and Carson's Subdivision; thence north along the east line of said Lot 3 and along the northward extension thereof, a distance of 150.00 feet to the former southerly right-of-way line of the Chicago, Milwaukee, St. Paul and Pacific Railway Company; thence southeasterly along said southerly right-of-way line, a distance of 769.83 feet to an intersection with the east line of the northwest quarter of said Section 12; thence south along said east line, a distance of 325.83 feet to a point which is 710.00 feet north of the southeast corner of said northwest quarter, said point being the intersection with the northwesterly line of the land conveyed to the Chicago and Northwestern Railway Company by deed recorded June 24, 1968 as Document 20529161; thence southwesterly along said northwesterly line (said northwesterly line if extended southwesterly would intersect the south line of Lot 8 in Graydon and Carson's Subdivision at a point which is 410.00 feet (as measured along said south line) west of the intersection of said south line with said east line of the northwest quarter of said Section 12), a distance of 428.44 feet to an intersection with a line which is 340.50 feet west of and parallel with said east line of the northwest quarter; thence south along the last described parallel line a distance of 44.56 feet to an intersection with a line 9.00 feet north of and parallel with the south line of said Lot 8; thence west along the last described parallel line a distance of 57.81 feet to an intersection with said southwesterly extension of the Chicago and Northwestern Railway Company; thence southwesterly along said southwesterly extension, a distance of 14.69 feet to said intersection with the south line of said Lot 8; thence west along the south line of said Lot 8 and along the south line of Lots 9 and 3 in Graydon and Carson's Subdivision, a distance of 326.60 feet to the southeast corner Lot 27 in said Griffin's Subdivision; thence north along the east line said Lot 27 and along the northward extension thereof, a distance of 242.20 feet to an intersection with said line which is perpendicular to the east line of North Sacramento Boulevard; thence west along said perpendicular line, a distance of 34.36 feet to the point of beginning.

Yeas -- Aldermen Haithcock, Tillman, Preckwinkle, Hairston, Beavers, Stroger, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, Brookins, Muñoz, Zalewski, Chandler, Solis, Ocasio, E. Smith, Carothers, Reboyras, Suarez, Matlak, Mell, Austin, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

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

The following is said ordinance as passed:

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CHICAGO, July 27, 2005.

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

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Haithcock, Tillman, Preckwinkle, Hairston, Beavers, Stroger, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, Brookins, Muñoz, Zalewski, Chandler, Solis, Ocasio, E. Smith, Carothers, Reboyras, Suarez, Matlak, Mell, Austin, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

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WHEREAS, Pursuant to an ordinance adopted by the City Council on June 10, 1998, 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 June 10, 1998, 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, Pursuant to a negotiated sale, Chicago GreenWorks, L.L.C., an Illinois limited liability company (the "Company"), will acquire from the City three (3) parcels of real property depicted on Exhibit A attached hereto and made a part hereof and identified thereon as the Phase I parcels (the "Phase I Parcels"); and

WHEREAS, The Company may also, from time to time, acquire from the City one (1) or more of the six (6) additional parcels of real property depicted on Exhibit A and identified thereon as the Phase II parcels (each, if conveyed, a "Phase II Parcel" and collectively, the "Phase II Parcels") (the Phase I Parcels and the Phase II Parcels, to the extent acquired, shall be referred to in this ordinance collectively as the "City Parcels"); and

WHEREAS, All such acquisitions shall be for the consideration and subject to the terms of the Redevelopment Agreement (as such term is defined below); and

WHEREAS, All City Parcels comprise an approximately twelve (12) acre site located within the Area at approximately 551 North Sacramento Boulevard, Chicago, Illinois and legally described on Exhibit B attached hereto and made a part hereof (such twelve (12) acre site, the "Site"); and

WHEREAS, The Company shall undertake on the applicable portions of the Site: (1) the construction of an interior road and dedication to the City of such interior road as a public right of way; (2) the construction of an approximately ten thousand (10,000) square foot repair and work shop and an approximately seven thousand (7,000) square foot office to be used as the headquarters for Christy Webber Landscapes, an affiliate of the Company; (3) the construction of a detention pond; (4) the sale of one (1) of the Phase I Parcels to an adjoining business for parking; and (5) in cooperation with the City, the completion of certain required environmental remediation work (collectively, the "Phase I Project"); and

WHEREAS, The Company may also: (1) construct on the Site (a) a truck washing and fueling area for use by Christy Webber Landscapes and other businesses located on the Site, and (b) a training center for existing and new employees in the landscaping/environmental business; (2) acquire and immediately resell or lease certain Phase II Parcels to Qualified Purchasers and Qualified Lessees (as both such terms are defined in the Redevelopment Agreement); and (3) in cooperation with the City, complete certain environmental remediation work (collectively, the "Phase II Project" and, together with the Phase I Project, the "Project"); and

WHEREAS, The Company has proposed to undertake the redevelopment of the Site in accordance with the Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Company and the City 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") (or by the proceeds of the sale of tax increment allocation bond payments on which are secured by Incremental Taxes that the City may issue in the future); and

WHEREAS, Pursuant to Resolution 04-CDC-93 (the "Resolution") adopted by the Community Development Commission of the City of Chicago (the "Commission") on October 12, 2004, the Commission authorized the City's Department of Planning and Development ("D.P.D.") to publish notice pursuant to Section 5/11-74.4(c) of the Act of its intention to negotiate a redevelopment agreement with the Company for the Project and to request alternative proposals for redevelopment of the Site or a portion thereof; and

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

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

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

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

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

SECTION 3. The Commissioner of D.P.D. (the "Commissioner") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a redevelopment agreement between the Developer and the City in substantially in the form attached hereto as Exhibit C 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. Subject to the terms and conditions of the Redevelopment Agreement, the City is hereby authorized to sell and convey to the Developer the City Parcels listed on Exhibit A for the consideration set forth in the Redevelopment Agreement. The City Parcels shall be conveyed to the Developer subject to the Developer's execution of and in accordance with the terms and conditions of the Redevelopment Agreement. The Mayor or his proxy is authorized to execute, and the City Clerk is authorized to attest, from time to time, one (1) or more quitclaim deeds conveying one (1) more of the City Parcels to the Developer.

SECTION 5. 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 and the Redevelopment Agreement, including, without limitation, Section 18.01 thereof.

SECTION 6. 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 7. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this ordinance or the instruments authorized by this ordinance or to impair the security for or payment of the instruments authorized by this ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for violation of any provision of the Municipal Code.

SECTION 8. This ordinance shall be in full force and effect immediately upon its passage and approval.

[Exhibit "A" referred to in this ordinance printed
on page 52852 of this *Journal*.]

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

Exhibit "B".
(To Ordinance)

Legal Description Of Site.

A parcel of land located in the east half of the northwest quarter of Section 12, Township 39 North, Range 13, East of the Third Principal Meridian in Cook County, Illinois, said parcel comprised of a part of Lots 2, 3, 8, 10 and all of Lot 9 in Graydon and Carson's Subdivision in said east half of the northeast quarter and a part of Lot 28 in Griffin's Subdivision of all of Lots 1 and 4, also Lots 2 and 3 except the east 66.00 feet thereof, all in Graydon and Carson's Subdivision aforesaid, said parcel of land being bounded and described as follows:

commencing at a point in the east line of North Sacramento Boulevard (Sacramento Square), said east line being also the west line of Lots 18 through 25 in said Griffin's Subdivision, which point is 3.00 feet north of the southwest

corner of Lot 22 in said Griffin's Subdivision; thence east along a line perpendicular to said east line of Sacramento Boulevard, a distance of 502.49 feet to the point of beginning of the hereinafter described parcel of land; thence northeasterly along a straight line which makes an angle of 70 degrees, 16 minutes, 05 seconds from west to southwest with said perpendicular line and the southwesterly extension of said straight line, a distance of 7.44 feet to a point which is 10 feet north and 505.00 feet east, measured perpendicularly, from said southwest corner of Lot 22 in Griffin's Subdivision; thence northeasterly along a straight line, a distance of 104.34 feet to an intersection with a line which is 595.00 feet east of and parallel with the west line of the east half of the northwest quarter, said parallel line being also the east line of the parcel of land conveyed to Sprague Warner and Company by deed recorded October 3, 1941 as Document 12768767, a distance of 512.40 feet; thence east along a line perpendicular to the last described line, a distance of 75.85 feet to an intersection with the east line of Lot 3 in said Graydon and Carson's Subdivision; thence north along the east line of said Lot 3 and along the northward extension thereof, a distance of 150.00 feet to the former southerly right-of-way line of the Chicago, Milwaukee, St. Paul and Pacific Railway Company; thence southeasterly along said southerly right-of-way line, a distance of 769.83 feet to an intersection with the east line of the northwest quarter of said Section 12; thence south along said east line, a distance of 325.83 feet to a point which is 710.00 feet north of the southeast corner of said northwest quarter, said point being the intersection with the northwesterly line of the land conveyed to the Chicago and Northwestern Railway Company by deed recorded June 24, 1968 as Document 20529161; thence southwesterly along said northwesterly line (said northwesterly line if extended southwesterly would intersect the south line of Lot 8 in Graydon and Carson's Subdivision at a point which is 410.00 feet (as measured along said south line) west of the intersection of said south line with said east line of the northwest quarter of said Section 12), a distance of 428.44 feet to an intersection with a line which is 340.50 feet west of and parallel with said east line of the northwest quarter; thence south along the last described parallel line a distance of 44.56 feet to an intersection with a line 9.00 feet north of and parallel with the south line of said Lot 8; thence west along the last described parallel line a distance of 57.81 feet to an intersection with said southwesterly extension of the Chicago and Northwestern Railway Company; thence southwesterly along said southwesterly extension, a distance of 14.69 feet to said intersection with the south line of said Lot 8; thence west along the south line of said Lot 8 and along the south line of Lots 9 and 3 in Graydon and Carson's Subdivision, a distance of 326.60 feet to the southeast corner Lot 27 in said Griffin's Subdivision; thence north along the east line said Lot 27 and along the northward extension thereof, a distance of 242.20 feet to an intersection with said line which is perpendicular to the east line of North Sacramento Boulevard; thence west along said perpendicular line, a distance of 34.36 feet to the point of beginning.

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

This agreement was prepared by and
after recording return to:
Michael L. Gaynor, Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, Illinois 60602

CHICAGO GREENWORKS, LLC
REDEVELOPMENT AGREEMENT

This Chicago GreenWorks, LLC Redevelopment Agreement (this "Agreement") is made as of this 27th day of October, 2005, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Chicago GreenWorks, LLC, an Illinois limited liability company (the "Developer"). Capitalized terms not otherwise defined herein shall have the meaning given in Section 2.

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on June 10, 1998: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Kinzie Industrial Corridor Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Kinzie Industrial Corridor 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 Kinzie Industrial Corridor 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: At the time that the form of this Agreement was presented to and approved by the City Council (the "City Council Approval"), it was contemplated that the Developer would purchase from the City through a negotiated sale the three Phase I Parcels legally described on Exhibit B, which are part of a larger 12-acre site consisting of nine parcels of real property (such 12-acre site, as legally described on Exhibit B, the "Property") located at approximately 551 North Sacramento Boulevard, Chicago, Illinois, within the Redevelopment Area. Within the time frames set forth in Section 3.01 hereof, the Developer was then to commence and complete construction of the Phase I Project. As part of such Phase I Project, the City was to provide City Funds for (i) the construction of the Interior Road, (ii) the payment of the Phase I TIF Payment described in Section 4.03(b), and (iii) Qualified Remediation Costs, subject to the Remediation Cap.

It was also contemplated that the City, the Developer and certain other parties would possibly undertake one or more projects comprising a contemplated Phase II Project. However, because the cost of remediating the Phase II Parcels was unknown at the time of the City Council Approval, the City was unwilling, at the time of the City Council Approval, to commit to conveying and remediating such parcels without a complete understanding of the remediation costs. Therefore, the City's obligation to convey the Phase II Parcels and the Developer's (and such other parties' obligation to complete the Phase II Project was initially contingent upon, among other things, the City's further environmental investigation and determination of such remediation costs. The City agreed to provide City Funds for Qualified Remediation Costs for the Phase II Project, subject to the Remediation Cap. The City also agreed to investigate the environmental condition of the Property as soon as practicable after the automobiles and other vehicles presently stored on the Property were removed (which removal the City has since completed) in order to determine the likely environmental remediation costs of the Phase I Project and the Phase II Project.

After the City Council Approval, the Developer subsequently requested to purchase the Phase II Parcels from the City at the same time it purchased the Phase I Parcels so as to develop the Phase II Parcels pursuant to this Agreement. The City has approved the Developer's request. For purposes of such initial conveyance of the Phase II Parcels, the Developer shall be deemed a "Qualified Purchaser" as defined in Section 4.10(b) hereof. Notwithstanding the foregoing,

however, any subsequent purchaser of a Phase II Parcel from the Developer must also be a Qualified Purchaser, and any such subsequent purchase and development of a Phase II Parcel shall also be subject to the terms and conditions of this Agreement, as originally contemplated.

As used in this Agreement, references to the "Project" and the "Property" shall refer to the entire project, including all nine parcels: References to the "Phase I Project" and "Phase I Parcels" shall refer initially to the Phase I Project and the three Phase I Parcels, but also shall be construed to refer to the Phase II Project and the applicable Phase II Parcels with the intended effect that such additional development project(s) will also be subject to the same terms and conditions applicable to the Phase I Project. The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

As part of the Project, CDOT will construct in conjunction with Developer's completion of the Phase I Project an approach road from Sacramento Boulevard, which will be opened as a public right-of-way pursuant to the Plat of Subdivision (the "City Road Work"). The City acknowledges and agrees that the construction of the City Road Work is an integral part of the Project and that the City's failure to perform such work in a timely manner shall also constitute a force majeure condition under Section 18.17 hereof.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Kinzie Industrial Corridor Tax Increment Financing Redevelopment Plan and Project (the "Redevelopment Plan") attached hereto as Exhibit C, as amended from time-to-time.

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

In addition, the City may, in its discretion, issue tax increment allocation bonds ("TIF Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "TIF Bond Ordinance") at a later date as described in Section 8.05 hereof, the proceeds of which (the "TIF Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Available Incremental Taxes 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 I. 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 Recital B hereof.

“Additional Interior Road Costs” shall mean the positive difference, if any, between (a) the actual cost of constructing the Interior Road incurred by the Developer, and (b) One Million Four Hundred Forty-Four Thousand Two Hundred Ninety-Eight and 00/100 Dollars (\$1,444,298).

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

“Applicable Purchase Price” shall mean, with respect to the City’s sale of the Phase I Parcels and the Phase II Parcels on the Closing Date, and, if applicable, the Developer’s resale of any of the Phase II Parcels, the product of the (a) aggregate square footage of the parcel(s) being conveyed, times (b) the Square Footage Multiplier.

“Available Incremental Taxes” shall mean the Incremental Taxes then on deposit in the Kinzie Redevelopment Project Area TIF Fund.

“CDOT” shall mean the Department of Transportation of the City of Chicago, or any successor department.

“Certificate” shall mean the certificate of completion described in Section 7.01 hereof applicable to the completion of the Phase I Project (and, if additional development projects are undertaken as part of the Phase II Project, the similar certificate applicable to the completion of any such additional development project(s)).

“Change Order” shall mean any amendment or modification to the Plans and Specifications or the Project Budget as described in Section 3.02, Section 3.03 and Section 3.04, respectively.

“City Council” shall have the meaning set forth in Recital C hereof.

“City Funds” shall have the meaning set forth in Section 4.03(b).

“City Road Work” shall have the meaning set forth in Recital D hereof.

“Closing Date” shall mean the date on which the Phase I Parcels and the Phase II Parcels are conveyed to the Developer.

“Commissioner” shall mean the Commissioner of the City’s Department of Planning and Development.

“Construction Contract” shall mean that certain contract entered into between the Developer and the General Contractor in the form attached hereto as Exhibit E, providing for construction of the Phase I Project, and the remediation work that must be performed as part of the Phase I Project in order to receive the NFRL for the Phase I Parcels.

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

“Development Parcels” shall mean Parcel #2, Parcel #3, Parcel #4, Parcel #5, Parcel #7 and Parcel #8, which shall be conveyed by the City to the Developer on the Closing Date and that under the terms of this Agreement, may be (except for Parcel #8) resold by the Developer to Qualified Purchasers or leased by the Developer to Qualified Lessees.

“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, including but not limited to Sections 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560 thereof, whether or not in the performance of this Agreement.

“Equity” shall mean funds of the Developer (other than funds derived from Lender Financing) irrevocably available for the Project, or otherwise incurred by the Developer for site-wide preparation and site design work in the amount set forth in Section 4.01 hereof, which amount may be increased pursuant to Section 4.06 (Cost Overruns).

“Escrow” shall mean the construction escrow established pursuant to the Escrow Agreement.

“Escrow Agreement” shall mean, with respect to each construction phase undertaken, the construction escrow agreement to be entered into by the Title Company (or an affiliate of the Title Company), the General Contractor, the Developer, the Developer’s lender(s) and the City, substantially in the form of Exhibit F attached hereto, which shall govern the funding of the

Equity, the Lender Financing, and the City Funds (other than the Phase I TIF Payment, which shall be paid directly to the Developer).

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

“Existing Mortgage” shall have the meaning set forth in Section 16 hereof.

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

“General Contractor” shall mean, as to the Phase I Project, The George Sollitt Construction Company.

“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.

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

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

“Indemnitees” shall have the meaning set forth in Section 13.01 hereof.

“Interior Road” shall mean an interior public loop road and utilities to be constructed by the Developer (subject to the City’s payment of City Funds pursuant to Section 4.03(b)(i)), and opened by the City as a public right of pursuant to the Plat of Subdivision (and accepted by the City upon completion of construction), which will serve the Property, connect to the approach road constructed by CDOT and surround the common detention area.

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

“Lender” shall mean the lender providing the Lender Financing for the Phase I Project.

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

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

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

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

“New Mortgage” shall have the meaning set forth in Section 16 hereof.

“NFRL” shall mean a No Further Remediation Letter issued by the Illinois Environmental Protection Agency pursuant to the Site Remediation Program, 415 ILCS 5/58 et seq.

“Outside Conveyance Date” shall mean the second anniversary of the Recording Date, provided, however, that the Commissioner shall have discretion to extend the Outside Conveyance Date by up to six months.

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

“Parcel” shall mean any Phase I Parcel or Phase II Parcel.

“Parcel Completion Date” shall mean, as applicable, as to each Parcel sold by the City to the Developer, the date that is two years after the Closing Date, unless (a) the Parcel is a Development Parcel that is resold or leased by the Developer to a Qualified Purchaser or Qualified Lessee prior to such second anniversary date, and (b) as to such resold or leased Development Parcel, the date that is two years after the conveyance or lease of such Development Parcel.

“Permitted Liens” shall mean those liens and encumbrances against the Phase I Parcels and/or the Phase I Project set forth on Exhibit H hereto.

“Permitted Mortgage” shall have the meaning set forth in Section 16 hereof.

“Phase I Parcels” shall mean Parcel #1, Parcel #6, and Parcel #9, as legally described on Exhibit B hereto.

“Phase I Project” shall mean and include: (1) the purchase by the Developer of all the Parcels for the Applicable Purchase Price; (2) opening of the Interior Road as a public right of way pursuant to the Plat of Subdivision, construction by the Developer of the Interior Road, and acceptance by the City of such constructed Interior Road; (3) the construction by the Developer of an approximately 10,000 square foot repair and work shop and an approximately 7,000 square foot office on Parcel #1 to be used as the headquarters for Christy Webber Landscapes; (4) the construction by the Developer of a detention pond on Parcel #9; and (5) the completion of the environmental remediation work necessary to obtain an NFRL for the Phase I Parcels, together with the City’s funding of Available Incremental Taxes to pay for the Qualified Remediation Costs related to such work, subject to the Remediation Cap.

“Project Budget” shall mean the budget attached hereto as Exhibit G-1, showing the total cost of the Phase I Project by line item.

“Phase I TIF Payment” shall have the meaning set forth in Section 4.03(b)(ii).

“Phase II Parcels” shall mean the following parcels: Parcel#2, Parcel #3, Parcel #4, Parcel #5, Parcel #7, and Parcel #8, as legally described on Exhibit B hereto.

“Phase II Project” shall mean one or more of the following additional development projects: (1) the Developer’s sale or lease of one or more of the Phase II Parcels for the Applicable Purchase Price to Qualified Purchasers and Qualified Lessees, and the construction of the requisite improvements on any such Parcel(s) prior to the Development Parcel Completion Date; (2) Developer’s own construction of such requisite improvements on only such Parcel(s) prior to the Outside Conveyance Date; (3) the construction by the Developer of a truck washing and fueling area on Parcel # 2 for use by Christy Webber Landscapes and other businesses located on the Property; and (4) the construction by the Developer of a training center on Parcel #8 for the training of existing and new employees for landscaping/environmental businesses.

“PMD #4” shall mean Planned Manufacturing District #4 approved by the City Council on April 1, 1998, as amended (Chapter 16-8-100 of the Municipal Code of Chicago).

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

“Plat of Subdivision” shall mean a plat of subdivision of the Property, in proper form for recording, subdividing the Property into the nine parcels legally described in Exhibit B and establishing the square footage for each such parcel, which shall be prepared by the Developer at the Developer’s expense and recorded on the Closing Date. The recording of the Plat of Subdivision shall also serve to open the Approach Road as a public right of way and the Interior Road as a public right of way. The Plat of Subdivision has been prepared by the Developer at the Developer's expenses, was introduced to the City Council on November 1, 2005 and, upon City Council approval, shall be thereafter recorded as soon as possible.

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

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

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

“Qualified Remediation Costs” shall mean costs incurred by the Developer in remediating the Phase I Parcels and the Phase II Parcels in order to obtain one or more NFRLs for the Project, which costs are eligible Redevelopment Project Costs under the Act.

“Recording Date” shall mean the date of the recording and filing of the deed to the Parcels from the City to the Developer in the Recorder’s Office of Cook County.

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

“Redevelopment Plan” shall have the meaning set forth in Recital E 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.

“Remediation Cap” shall mean the maximum amount that the City will contribute towards Qualified Remediation Costs for the Project, which shall be Four Million Five Hundred Thousand Dollars (\$4,500,000), but which amount, however, is subject to reduction by the amount of any Additional Interior Road Costs, if any, funded from City Funds pursuant to Section 4.03(b)(i).

“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 4.03(b) of this Agreement.

“Scope Drawings” shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the Phase I Project prepared by Farr Associates and dated July 18, 2005.

“Square Footage Multiplier” shall mean (a) for a closing occurring in 2005, \$1.35, (b) for a closing occurring in 2006, \$1.39, (c) for a closing occurring in 2007, \$1.43, and (d) for a closing occurring in 2008, \$1.47.

“Subordination Agreement” shall mean a subordination agreement in favor of the City substantially in the form attached hereto as Exhibit L.

“Survey” shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property dated within 45 days prior to the Closing Date,

acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Project improvements as required by the City or lender(s) providing Lender Financing).

“Tenth Anniversary Date” shall mean the date that is ten (10) years after the City’s issuance of a Certificate for the Phase I Project.

“Term of the Agreement” shall mean the period of time commencing on the Closing Date and ending on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2022).

“TIF Adoption Ordinance” shall have the meaning set forth in Recital C hereof.

“TIF Bonds” shall have the meaning set forth in Recital F hereof.

“TIF Bond Ordinance” shall have the meaning set forth in Recital F hereof.

“TIF Bond Proceeds” shall have the meaning set forth in Recital F hereof, and shall be net of capitalized interest, interest reserves and costs of issuance, if any.

“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 Recital C hereof.

“Title Company” shall mean Chicago Title Insurance Company.

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

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

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

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

SECTION 3. THE PROJECT

The provisions of this Section 3 and Sections 4 and 5, which collectively set forth certain closing obligations and conditions precedent to the City's obligation to convey parcels and/or provide City Funds, shall apply to the Developer, the Phase I Project and the Phase I Parcels and also to the Phase II Project development work. In such latter instance, references to the "Developer", the "Phase I Project" and the "Phase I Property" shall be construed, respectively, to apply to the Qualified Purchaser (or Qualified Lessee), the subsequently undertaken development project, and the applicable Development Parcel(s), as the context may require.

3.01 The Project. With respect to the Project, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) acquire all of the Parcels no later than the Recording Date, and (ii) complete (a) construction of the Phase I Project improvements no later than the second anniversary of the Recording Date, and (b) construction of the Phase II Project improvements no later than the Parcel Completion Date applicable to each Development Parcel.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered, and DPD has approved, the Scope Drawings. The Developer shall deliver to DPD the Plans and Specifications for approval. Any subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DPD as a Change Order pursuant to Section 3.04 hereof.

The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. 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 Phase I Project.

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project of \$6,868,331. The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity and described in Section 4.01 hereof, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Any Change Orders that in the aggregate (a) permanently decrease the Project Budget by more than five percent (5%), (b) reduce the square footage of the Phase I Project improvements (individually, or in aggregate) by more than five percent (5%), or (c) change the basic uses of the Phase I Project must be submitted by the Developer to DPD for

DPD's prior written approval. DPD will attempt to expeditiously review any such Change Order request and approve or disapprove (with a brief written explanation given of any disapproval) such proposed Change Order within thirty (30) days of its receipt thereof. The Developer shall not authorize nor permit the performance of any work relating to the Change Orders described in the preceding clauses (a), (b) or (c) or the furnishing of materials in connection therewith prior to the receipt of DPD's written approval. The Construction Contract and each contract between the General Contractor and any subcontractor shall contain a provision to this effect. An approved Change Order shall not be deemed to imply an obligation on the part of the City to increase the amount of City Funds payable pursuant to this Agreement or provide any other funding.

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 Phase I Project.

3.06 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. The Developer shall not commence construction of the Phase I 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. The Developer shall provide DPD with written quarterly progress reports detailing the status of the Phase I 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 Phase I Parcels.

3.08 Inspecting Agent or Architect. An independent agent or architect (other than the Developer's architect, but which may be the inspecting architect for the Lender), approved by DPD shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Phase I Project. The inspecting agent or architect shall perform periodic inspections with respect to the Phase I Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Phase I Project. At the Developer's option, the inspecting architect may be the inspecting architect engaged by any lender providing Lender Financing for the Phase I Project, provided that said architect is an independent architect licensed by the State of Illinois.

3.09 Barricades. Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City

and constructed in compliance with all applicable federal, state or City laws, ordinances and regulations. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

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

3.11 Utility Connections. The Developer may connect all on-site water, sanitary, storm and sewer lines constructed on the Phase I Parcels 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 Phase I 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 and are of general applicability to other property within the City.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project (exclusive of Qualified Remediation Costs) is estimated to be \$6,868,331, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to <u>Section 4.06</u>)	\$ 670,000
Lender Financing	\$4,550,000
Phase I TIF Payment (subject to <u>Section 4.03</u>)	\$ 204,033
City Funds for Interior Road Work (subject to <u>Section 4.03</u>)	\$1,444,298
ESTIMATED TOTAL	\$6,868,331

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

4.03 City Funds. (a) Uses of City Funds. City Funds may only be used to pay directly or reimburse the Developer for costs of TIF-Funded Improvements for the Phase I Project that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Phase I Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(c)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost.

(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 use Available Incremental Taxes to (1) reimburse the Developer for the TIF-eligible expenses described in Section 4.03(b)(i) and (ii) below, subject to the maximum amounts specified therein, and (2) pay for Qualified Remediation Costs, subject to the Remediation Cap. The City's financial commitment to provide Available Incremental Taxes for such purposes (the "City Funds") will be as follows:

(i) Interior Road. The City will disburse to the Developer through the Escrow Agreement an amount not to exceed One Million Four Hundred Forty-Four Thousand Two Hundred Ninety-Eight Dollars (\$1,444,298), from Available Incremental Taxes, for costs of constructing the Interior Road, all identified in draw requests submitted pursuant to the Escrow Agreement. In addition, if as a result of cost increases due to actual contractor bids exceeding estimates, inflationary increases in the cost of materials, or unforeseeable construction costs increases, as reasonably determined by CDOT, the cost of constructing the Interior Road exceeds such sum, then the City will disburse additional Available Incremental Taxes to pay for such additional costs (such additional costs, the "Additional Interior Road Costs"). In such event, the Remediation Cap, and the City's obligation to fund Qualified Remediation Costs, shall be reduced by the amount of such Additional Interior Road Costs. Disbursement is contingent on the Developer obtaining all necessary permits and approvals, as well as construction progress sign-offs from CDOT during and upon completion of the Interior Road work, and submitting to DPD a Requisition Form.

(ii) Phase I TIF Payment. Upon the issuance of the Certificate for the Phase I Project, the City shall pay the Developer an amount not to exceed \$204,033 from Available Incremental Taxes as reimbursement for certain TIF-Funded Improvements for the Developer's actual incurred site preparation costs for the Phase I Project (such payment, the "Phase I TIF Payment"). The Phase I TIF Payment shall be contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such costs and their eligibility as Redevelopment Project Costs. The Developer hereby directs the City (unless and until the Lender identified in the Escrow Agreement notifies the City in writing pursuant to the Subordination Agreement that (1) the Lender Financing has been repaid in full and (2) the Lender's Existing Mortgage has been released) to disburse the Phase I TIF Payment to the Lender identified in the Escrow Agreement on the Developer's account.

(iii) Qualified Remediation Costs. The City will disburse to the Developer through Escrow Agreement an amount sufficient to pay the Qualified Remediation Costs of the Phase I Parcels (and for site-wide Qualified Remediation Costs that are incurred as part of any site-wide remediation work that is done at the same time as the Phase I Parcel remediation work), all as

identified in draw requests submitted pursuant to the Escrow Agreement, and subject to the Remediation Cap. Disbursement is contingent on the Developer obtaining all necessary permits and approvals, as well as remediation progress sign-offs from the Department of Environment, or its consultant, during and upon completion of the remediation work, and submitting to DPD a Requisition Form.

4.04 Construction Escrow. The City, the Developer and Lender shall enter into an Escrow Agreement. All disbursements of Project funds (except for the Prior Expenditures and the Phase I TIF Payment) shall be made through the funding of draw requests with respect thereto pursuant to the Escrow Agreement and this Agreement. The Escrow Agreement may include separate subaccounts for the funding of costs of constructing the Interior Road and Qualified Remediation Costs. In case of any conflict between the terms of this Agreement and the Escrow Agreement, the terms of this Agreement shall control. The City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) **Prior Expenditures.** Only those expenditures made by the Developer with respect to the Phase I Project, or incurred for site-wide preparation or design work 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 reasonable 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. The Developer hereby certifies that Exhibit I is complete, true and accurate in all respects. 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) **Allocation Among Line Items.** Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited, subject to the terms of Section 3.04. DPD shall not unreasonably withhold its consent to such transfers so long as the Corporation Counsel has advised DPD that an expenditure qualifies as an eligible cost under the Act.

(c) **Allocation of Costs With Respect To Sources of Funds.**

(i) **Disbursement of Equity.** Phase I Project costs shall be charged first to Equity, except for the costs of constructing the Interior Road and for Qualified Remediation Costs (and subject to payment of the Phase I TIF Payment in accordance with Section 4.03(b)(ii)).

(ii) Disbursement of Lender Financing. After there is no Equity remaining, Phase I Project costs shall then be charged to Lender Financing, except for the costs of constructing the Interior Road and for Qualified Remediation Costs (and subject to payment of the Phase I TIF Payment in accordance with Section 4.03(b)(ii)).

(iii) Disbursement of City Funds. The costs of constructing the Interior Road and Qualified Remediation Costs, subject to the Remediation Cap (and excluding any additional Interior Road work or remediation costs incurred as a result of a Developer or general contractor default in the performance of any such work) shall be paid from the City Funds committed under this Agreement. The City shall also make the Phase I TIF Payment subject to the requirements of Section 4.03(b)(ii).

(e) Retainage. Each disbursement of City Funds (other than the Phase I TIF Payment) shall be reduced by ten percent (10%) until construction of the Interior Road and the performance of the Remediation Work is fifty percent (50%) complete, and reduced by five percent (5%) thereafter, in each case, without further interest to be payable on said withheld amounts, which is to be held by the City for final release upon the issuance of the Certificate for the Phase I Project.

4.06 Cost Overruns. If the cost of completing the Phase I Project exceeds the Project Budget, or if additional Interior Road work or remediation costs are incurred as a result of a Developer or general contractor default in the performance of such work, or if the Qualified Remediation Costs exceed or are anticipated to exceed the Remediation Cap and the Developer elects to nonetheless proceed with the applicable portion of the Project, then in any such event, the Developer shall be solely responsible for such excess costs, and shall hold the City harmless from any and all costs and expenses of completing the completing the applicable work.

4.07 Preconditions of Disbursement. Prior to each disbursement of City Funds hereunder, the Developer shall submit documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. If the disbursement of City Funds is made for Qualified Remediation Costs as part of a Qualified Purchaser's or Qualified Lessee's development of a Phase II Parcel, such other party shall provide similar documentation, make similar certifications, and be subject to a similar "in balance" requirement comparable to those set forth below, and references to the "Developer" and the "Phase I Project" shall be construed to apply to such other party and such other project. Delivery by the Developer to DPD of any Requisition Form (in the form attached hereto as Exhibit K) for disbursement of City Funds hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

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

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

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

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

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

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

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

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

Furthermore, the City shall not be obligated to make an initial disbursement of City Funds unless and until all conditions for an initial disbursement of the proceeds of the Lender Financing for costs other than acquisition of the Property have been satisfied to the Lender's satisfaction; such conditions for an initial disbursement of the proceeds of the Lender Financing for costs other than acquisition of the Property shall include but not be limited to any matters set forth in writing between the Lender and the Developer in any so-called "post-closing letter", memorandum or similar agreement, a copy of which the Developer shall provide to the City.

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

4.09 Sale of Development Parcels. On the Phase I Project Closing Date, the Developer shall pay the City the Applicable Purchase Price for all of the Parcels, in cash, subject to the following terms and conditions:

(a) **Form of Deed.** The City will convey the Parcels to the Developer by quit claim deed ("Deed"), subject only to the terms of this Agreement and the following:

(i) a right of re-entry and reverter in the event that (A) the Developer does not construct the Phase I Project improvements on Parcel #1 or Parcel #9 by two years from the date of the recording of the City's Deed, (B) the Developer fails to construct the requisite Phase I Project improvements or Phase II Project improvements on one or more of the Development Parcels by the date that is two years after the Closing Date, unless prior to such date the Developer has resold or leased such Development Parcel to a Qualified Purchaser or Qualified Lessee, and (C) as to such resold or leased Development Parcel, the Qualified Purchaser or Qualified Lessee fails to construct the requisite improvements by the applicable Parcel Completion Date. (Such right of re-entry and reverter being exercisable, however, only against any Parcel(s) where the requisite improvements have not been constructed);

(ii) The Redevelopment Plan for this Redevelopment Area;

(iii) The standard exceptions in an ALTA title insurance policy;

(iv) General real estate taxes which are not yet due and owing, subject to the City's duty under Section 4.09(d);

(v) Easements, encroachments, covenants and restrictions of record and not shown of record;

(vi) Such defects which cannot reasonably be cured but will not affect the use or marketability of the Parcels, and

(vii) a use restriction imposing the "green business" requirements of Section 8.06.

(b) **Title Commitment and Insurance.** The City agrees to provide Developer with a current title commitment issued by a reputable title insurance company showing the City in title to the Phase I Parcels. Developer will pay the cost of, and will be responsible for, obtaining any title insurance, extended coverage or endorsements it deems necessary.

(c) Survey. Developer will be responsible for the Plat of Subdivision and any survey it deems necessary.

(d) Real Estate Taxes. The City agrees to use reasonable efforts to obtain the waiver of any delinquent real estate tax liens on the Parcels, to the extent that such taxes may be waived or abated by writing to the County Assessor a customary abatement letter or filing a motion to vacate any tax sale made in error. Developer will be responsible for all taxes accruing after the Closing.

(e) Recordation of Deed. Developer, at its expense, will promptly record the Deed at the Office of the Cook County Recorder of Deeds.

(f) Outside Conveyance Date. The conveyance of all the Parcels must occur by the Recording Date. The Commissioner shall have discretion to extend such date by six months.

4.10 Developer's Sale/Lease of Development Parcels.

(a) In addition to the conditions precedent set forth in Section 4.09, the Developer shall not be entitled to resell Parcel #2, Parcel #3, Parcel #4, Parcel #5 or Parcel #7, unless the Developer has identified a Qualified Purchaser or Qualified Lessee (as such terms are defined below), acceptable to DPD, for such parcel. The Developer shall also in good faith consider all offers to purchase or lease Phase II Parcels from potential Qualified Purchasers or potential Qualified Lessees identified to the Developer by the City.

(b) A "Qualified Purchaser" shall mean a purchaser that:

(i) buys such parcel from the Developer for a price, determined by DPD to be equal to the sum of the Applicable Purchase Price paid for such Parcel, plus an allocable share of the Developer's site-wide development and carrying costs, plus a five percent (5%) transaction fee. The Developer may propose a higher price. If the City agrees to such higher amount, the City shall be entitled to 75% of the amount in excess of the amount determined under the preceding formula;

(ii) not less than 30 days prior to the sale, has provided DPD with the following:

- (A) legal description of the Development Parcel;
- (B) a copy of the contract of sale between the Developer and the Qualified Purchaser;
- (C) a description of "green business" to be conducted;
- (D) Scope Drawings for the improvements to be built on the Development Parcel;
- (E) certifications regarding the Qualified Purchaser's agreement to be bound by this Agreement (including, without limitation, the

- covenants running with the land specified in Section 7.02), the Plan and other governing documents;
- (F) financial statements;
- (G) an Economic Disclosure Statement; and
- (H) the proposed sale price, including Developer's initial calculation thereof;

(iii) is qualified to do business with the City and is financially capable of constructing the proposed improvements within two years in the reasonable judgment of the Commissioner; and

(iv) is not requesting TIF funding for the Qualified Purchaser's project.

If the Qualified Purchaser does not complete its requisite improvements within two years of its purchase, the City shall have the right to exercise its right of re-entry and revert with respect to the Development Parcel, subject to the City's reimbursement of the purchase price paid by the Qualified Purchaser, or such other amounts as the Commissioner deems equitable.

The City agrees that for purpose of the conveyance of the Development Parcels to the Developer on the Closing Date, the Developer itself shall be deemed a "Qualified Purchaser". As such a Qualified Purchaser, the Developer shall be obligated to develop all of the Phase II Parcels in accordance with this Agreement, and shall assume all obligations and restrictions of a Qualified Purchaser contained herein. In addition, any subsequent purchaser or lessee of a Development Parcel must also be a Qualified Purchaser or Qualified Lessee and shall also be subject to the terms and conditions of this Agreement applicable to Qualified Purchasers and Qualified Lessees. If the Developer does not resell (or lease) a Development Parcel but instead elects to develop such Parcel itself, then, prior to the Developer's redevelopment of such Parcel, the Developer must obtain the City's written consent to the Developer's proposed redevelopment of such Parcel.

(c) A "Qualified Lessee" shall mean a lessee that:

(i) leases the Development Parcel from the Developer for term of not less than five years, for a net rent payable over the term of the lease to be determined by DPD to be equal to the sum of the Applicable Purchase Price paid for such parcel, plus an allocable share of the Developer's site-wide development and carrying costs plus a five (5%) percent transaction fee, or such other net rent as may be reasonably acceptable to the Commissioner. The Developer may propose a higher rent. If the City agrees to such higher amount, the City shall be entitled to 75% of the amount in excess of the amount determined under the preceding formula;

(ii) not less than 30 days prior to the commencement of the lease, has provided

DPD with the following:

- (A) legal description of the Development Parcel;
- (B) a copy of the lease between the Developer and the Qualified Lessee;
- (C) a description of the “green business” to be conducted;
- (D) Scope Drawings for the improvements to be built on the Development Parcel;
- (E) certifications regarding the Qualified Lessee’s agreement to be bound by this Agreement (including, without limitation, the covenants running with the land specified in Section 7.02), the Plan and other governing documents;
- (F) financial statements;
- (G) an Economic Disclosure Statement; and
- (H) the proposed rent, including Developer’s initial calculation thereof.

(iii) is qualified to do business with the City and is financially capable of constructing the proposed improvements within two years, in the reasonable judgment of the Commissioner; and

(iv) is not requesting TIF funding for the Qualified Lessee’s project.

If the Developer leases a Development Parcel to a Qualified Lessee and the Qualified Lessee does not complete its requisite improvements within two years of the lease commencement date, the City shall have the right to exercise its right of re-entry and reverter with respect to the Development Parcel with uncompleted improvements, subject to the City’s reimbursement of the purchase price paid by the Developer for such Development Parcel, or such other amount as the Commissioner deems equitable.

4.11 Environmental Matters Concerning the Acquired Phase I Parcels.

(a) The City agrees to enroll the entire Property in the State of Illinois Site Remediation Program, 415 ILCS 5/58.1 et seq., and to pay for Qualified Remediation Costs associated with remediating the Phase I Parcels to a commercial/industrial standard in order to receive an NFRL based on such standard, subject to the Remediation Cap. The City also agrees to perform phase I (and, if warranted, phase II) environmental audits of the Phase II Parcels as soon as practicable after the automobiles and other vehicles presently stored on the Property are removed (which removal the City shall carry out in a timely manner) in order to determine the estimated remediation costs of the Phase II Parcels based on such a commercial/industrial standard.

(b) Notwithstanding Section 4.12(a), the Developer shall satisfy itself as to the environmental condition of the property by investigating and determining the soil and environmental condition of the Phase I Parcels. Prior to the Closing Date, Developer will have the right to request a right of entry for the purpose of conducting environmental tests on the

Parcels. If such a request is made, the City will grant Developer a right of entry for such purpose. The granting of the right of entry, however, will be contingent upon Developer obtaining all necessary permits and the following types and amounts of insurance: (x) commercial general liability insurance with a combined single limit of not less than \$1,000,000.00 per occurrence for bodily injury, personal injury and property damage liability with the City named as an additional insured; (y) automobile liability insurance with limits of not less than \$1,000,000.00 per occurrence, combined single limit for bodily injury and Property damage; and (z) worker's compensation and occupational disease insurance in statutory amounts covering all employees and agents who are to perform any work on the Parcels. All insurance policies will be from insurance companies authorized to do business in the State of Illinois, and will remain in effect until completion of all activity on the Parcels. Developer will deliver duplicate policies or certificates of insurance to the City prior to commencing any activity on the Parcels. Developer expressly understands and agrees that any coverage and limits furnished by Developer will in no way limit Developer's liabilities and responsibilities stated in this Agreement.

(c) Developer agrees to carefully inspect the Parcels prior to the commencement of any activity on the Parcels to make sure that such activity will not damage surrounding Property, structures, utility lines or any subsurface lines or cables. The City reserves the right to inspect any work being done on the Parcels. Developer's activities on the Parcels will be limited to those reasonably necessary to perform the environmental testing. Upon completion of the work, Developer agrees to restore the Parcels to their original condition. Developer will keep the Parcels free from any and all liens and encumbrances arising out of any work performed, materials supplied or obligations incurred by or for Developer, and agrees to indemnify and hold the City harmless against any such liens.

(d) Developer agrees to deliver to the City a copy of each report prepared by or for Developer, if any, regarding the environmental condition of the Phase I Parcels. The City agrees to deliver to the Developer the reports that the City shall cause to be prepared in connection with its enrollment of the Property in the Site Remediation Program. If prior to the Closing Date, Developer's environmental consultant determines that contamination exists on the Parcels that is too excessive for Developer, Developer may terminate this Agreement by giving written notice thereof to the City.

(e) If after the City's conveyance of the Parcels, the environmental condition of the Parcels is not suitable for its intended use or the remediation costs exceed the Remediation Cap, it will be the sole responsibility and obligation of Developer to take such action as is necessary to put the Parcels in a condition suitable for its intended use, and to pay such additional remediation costs, subject, however, to the City's obligation to pay for Qualified Remediation Costs, subject to the Remediation Cap. Subject to such City duty, the Developer agrees that the City makes no representation, warranty or covenant as to the environmental condition of any parcels and the Developer agrees to accept all conveyed parcels "as is".

(f) With respect to the development of any Phase II Parcels, the City will fund Qualified Remediation Costs associated with any such parcel(s), until the Remediation Cap amount has been fully disbursed. Thereafter, the City shall have no obligation to fund further remediation costs. The City's funding of such Qualified Remediation Costs for the Phase II Parcels shall be in a manner similar to the funding of Qualified Remediation Costs for the Phase I Parcels (i.e., through an escrow account established in connection with the construction of the applicable Development Parcel's improvements) and in a manner otherwise reasonably acceptable to the Commissioner and the Corporation Counsel. If a Qualified Purchaser (other than Developer) or a Qualified Lessee requests reimbursement for Qualified Remediation Costs for any Development Parcel at a time prior to the Developer's final request for Qualified Remediation Costs for the Phase I Parcels and receipt of or NFRL for the Phase I Project, the City, in its sole and absolute discretion, may deny such request in whole or part.

SECTION 5. CONDITIONS PRECEDENT

The following conditions shall be complied with to the City's satisfaction on or prior to the Closing Date. Such conditions shall also be complied with prior to any closing date applicable to the conveyance of a Phase II Parcel, and, in such instance, references to the "Developer", the "Phase I Parcels" and the "Phase I Project" shall be construed to apply to the Qualified Purchaser (or Qualified Lessee), the applicable Development Parcels and such other Project work, respectively.

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

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

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

5.04 Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity, Lender Financing and City Funds in the amounts set forth in Section 4.01 hereof to complete the Phase I Project and to satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with Equity and City Funds set forth in Section 4.01) to complete the Phase I Project. The Developer has delivered to DPD a copy of the Escrow Agreement. Any liens against the Parcels in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in substantially the form attached hereto as Exhibit L, 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. Upon the purchase of the Parcels, the Developer will furnish the City with a copy of the Title Policy, certified by the Title Company, showing the Developer as the named insured. The Title Policy shall be dated as of the closing date and shall contain only those title exceptions listed as Permitted Liens on Exhibit H hereto and evidence the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also shall contain such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.0 with parking), contiguity, location, access and survey

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 Parcels 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 and the original Plat of Subdivision, as introduced to the City Council for approval..

5.08 Insurance. The Developer, at its own expense, has insured the Parcels 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 recent fiscal year, and audited or unaudited interim financial statements.

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

5.13 Environmental. The Developer has provided DPD with copies of any Phase I (and, if applicable, Phase II) environmental audits completed with respect to the Parcels. The Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles of Organization containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and all other states in which the Developer is qualified to do business; a secretary's certificate or similar instrument in such form and substance as the Corporation Counsel may require; operating agreement of the company; and such other organizational documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

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

5.16 Other Material Documents. The Developer has provided the City with such other key documents and material agreements as the City may reasonably request, including any agreements with Qualified Purchasers and Qualified Lessees.

5.17 Approval of Phase I Project Environmental Matters. The State of Illinois Environmental Protection Agency shall have approved the City's Site Investigation Report, Remediation Objectives Report and Remedial Action Plan for the Phase I Parcels, shall have issued the form of conditional NFRL in a form acceptable to the City and the Developer, and the City shall have determined that the remediation costs that will be incurred to obtain the NFRL for the Phase I Parcels are not likely to exceed the Remediation Cap.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors.

(a) Except as set forth in Section 6.01(b) below, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Phase I 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. For the TIF-Funded Improvements, the Developer shall select

the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Phase I Project in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. The Developer shall submit copies of the Construction Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of any portion of the Project, the Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed 10% of the total amount of the Construction Contract. Except as explicitly stated in this paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors.

6.02 Construction Contract. The Developer has delivered to DPD and DPD has approved the Construction Contract with the General Contractor selected to handle the Phase I Project in accordance with Section 6.01 above. The Developer shall deliver to DPD any modifications, amendments or supplements thereto.

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

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

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

6.06 Application to Phase II Project. The provisions of this Section 6 shall also apply to any Phase II Project development work that is undertaken. In such instance, references to the “Developer” and the “Phase I Project” shall be construed to apply to the Qualified Purchaser (or Qualified Lessee) and such other work.

SECTION 7. COMPLETION OF CONSTRUCTION

7.01 Certificates of Completion of Construction. Upon completion of the Phase I Project in accordance with the terms of this Agreement, and upon the Developer's written request, DPD shall issue to the Developer a certificate of completion in recordable form (the “Certificate”) certifying that the Developer has fulfilled its obligation to complete the Phase I Project. Upon completion of any Phase II Project work undertaken in accordance with the terms of this Agreement, and upon the Developer's (or a Qualified Purchaser's) written request, DPD shall issue a similar certificate in recordable with respect to such additional construction work.

(a) The Phase I Project Certificate will be issued when the following requirements have been met:

- (i) The Phase I improvements have been completed; and
- (ii) CDOT has confirmed in writing that the Developer has satisfactorily completed the Interior Road and that it has been accepted by the City; and
- (iii) The City's Monitoring and Compliance Unit has verified that the Developer is in full compliance with City requirements set forth in Section 10 and Section 8.09 (M/WBE, City Residency and Prevailing Wage).

(b) DPD shall respond to a written request for a Certificate within thirty (30) days by either issuing the Certificate or a written statement detailing the ways in which the applicable project work has not been satisfactorily completed, and the measures that must be taken in order to obtain the Certificate. The party requesting the Certificate may resubmit a written request for a Certificate upon completion of such measures. The City thereafter either shall issue the Certificate within thirty (30) days or send a written statement which details the way in which the applicable project work has not been satisfactorily completed.

7.02 Effect of Issuance of Certificate; Continuing Obligations. A Certificate relates only to the construction of the applicable work and upon its issuance, the City will certify that the terms of the Agreement specifically related to the obligation to complete such construction activities have been satisfied. After the issuance of such 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 in Sections 8.01(d), 8.01(j), 8.01(k), 8.02, 8.06 and 8.20 shall be covenants that run with the land, binding upon any transferee of any Parcel(s) (including an assignee as described in the following sentence) notwithstanding the issuance of a Certificate; provided, that (a) upon the issuance of a Final Completion Certificate, the construction covenants set forth in Section 8.02 shall be deemed to have been fulfilled, and (b) the covenants set forth in Sections 8.01(d), (j) and (k) and Section 8.06 shall terminate as specified therein. The other executory terms of this Agreement that remain after the issuance of a Final Completion 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 Phase I Project (or a Qualified Purchaser or Qualified Lessee fails to complete its project) in accordance with the terms of this Agreement, then in addition to any other rights granted in Section 4 or elsewhere in this Agreement, the City has, but shall not be limited to, any of the following rights and remedies:

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

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

(c) the right to seek any remedies set forth in Section 15.02 with respect to the incomplete work against the party responsible for completing such work.

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

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

The provisions of this Section 8 shall initially apply to the Developer, the Developer's Phase I Project and the Developer's redevelopment of any Development Parcels. Upon the resale or lease of any Development Parcel to a Qualified Purchaser or Qualified Lessee, such provisions shall also apply to any Phase II Project development work that is undertaken. In such instance, references to the "Developer", the "Phase I Project" and the "Phase I Parcels", shall be

construed to apply to the Qualified Purchaser (or Qualified Lessee), the Phase II Project work that is undertaken, and the applicable Development Parcel, as applicable.

8.01 General. The Developer represents, warrants and covenants, as of the date of this Agreement, and during the Term of the Agreement, that:

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

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

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

(d) unless otherwise permitted under Section 4 or Section 8.01(j) of this Agreement, the Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Phase I Parcels free and clear of all liens, except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof;

(e) the Developer is now and until the earlier to occur of the expiration of the Term of the Agreement and the date, if any, on which the Developer has no further interest in the Project, 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 that 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 Phase I Project;

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

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

(j) prior to the issuance of the Certificate pursuant to Section 7.01 for the Phase I Project, 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; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Phase I Parcels or the Phase II Parcels (except as contemplated under Sections 4.09 and Section 4.10); (3) enter into any transaction outside the ordinary course of the Developer's business that would materially adversely affect the ability of the Developer to complete the Phase I Project; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity that would materially adversely affect the ability of the Developer to complete the Phase I Project; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition. After the issuance of the Certificate pursuant to Section 7.01, the prohibited actions described in clauses (1), (3), (4) and (5) shall no longer apply. The transfer restrictions in clause (2), however, shall continue to apply until the Tenth Anniversary Date and shall apply to any sale or resale, or lease or reletting, of any Phase I Project Parcel or Development Parcel prior to such Tenth Anniversary Date; and

(k) the Developer has not incurred, and, prior to the earlier to occur of the issuance of the final Certificate pursuant to Section 7.01 for the Phase I Project, shall not, without the prior written consent of the Commissioner, allow the existence of any liens against the Parcels (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Parcels (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; provided that nothing in this Section 8.01(k) shall be construed to prohibit the granting of easements and other similar recordable interests necessary or desirable for the redevelopment of the Parcels. Upon the Developer's sale of any Development Parcel, the owner of such parcel shall be bound by a similar covenant with respect to such parcel; and

(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 Scope Drawings 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 Parcels in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the

Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Parcels 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 final Certificate with respect thereto.

If the Developer resells or leases one or more of the Development Parcels for a development project, such additional project shall also be governed by this Agreement, as described in Recital D and elsewhere in this Agreement. The Commissioner shall require Qualified Purchasers and Qualified Lessees to enter into limited joinders to this Agreement, or similar written agreements, confirming such parties' agreement to be bound by this Agreement, as applicable to each such party's parcel, and any additional requirements as may be appropriate for such additional development project.

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

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

8.05 TIF 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 TIF Bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment 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 TIF 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 Permitted Uses. Prior to the Tenth Anniversary Date, the Developer shall cause the Property to be used for green services or unimproved open service yard. "Green Services" shall mean businesses that are environmentally sustainable and support the greening of the City's communities, including but not limited to, landscape companies, wholesale bulk materials/nursery suppliers, yard storage, irrigation and seed supply services. No less than 50% of each Parcel shall be maintained as unimproved open space. Paved surfaces shall be deemed unimproved open space. The covenants set forth in this Section shall run with the land and be binding upon any transferee. After the Tenth Anniversary Date, the Parcels may be used for any use permitted pursuant to PMD #4.

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor

and each subcontractor to abide by the terms set forth in Section 10 hereof; provided, however, that the contracting, hiring and testing requirements associated with the MBE/WBE and City resident obligations in Section 10 shall be applied on an aggregate basis and the failure of the General Contractor to require each subcontractor to satisfy, or the failure of any one subcontractor to satisfy, such obligations shall not result in a default or a termination of the Agreement or require payment of the City resident hiring shortfall amount so long as such Section 10 obligations are satisfied on an aggregate basis. The Developer shall deliver to the City written progress reports detailing (1) compliance with the requirements of Sections 8.08, 10.02 and 10.03 of this Agreement (based on expenditures to-date); and (2) copies of draw requests to monitor for City requirements, and any other reports. Such reports shall be delivered to the City when the Phase I Project is 50 percent completed (to be measured in dollars expended to date, based on 50 percent of the portion of the Project Budget, and thereafter on a regular quarterly basis; failure to do so will be deemed an Event of Default. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DPD that shall outline, to DPD's satisfaction, the manner in which the Developer shall correct any shortfall.

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

8.09 Prevailing Wage. The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor for all construction trades, to all Project employees employed by the Developer. 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 Illinois Department of Labor 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 Parcels or any other property in the Redevelopment Area.

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

8.13 Financial Statements. The Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year ended 2004 and, until the earlier to occur of the expiration of the Term of the Agreement and the date, if any, on which the Developer has no further interest in the Parcels, the Developer shall obtain and provide to DPD Financial Statements for each fiscal year thereafter. In addition, until the earlier to occur of the expiration of the Term of the Agreement and the date, if any, on which the Developer has no further interest in the Parcels, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Parcels 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 Parcels or the 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 Parcels (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or

(ii) at DPD's sole option, to furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Parcels 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 that 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. Taking into account and giving effect to the provisions of the NFRL that is anticipated to be issued with respect to the Phase I Parcels, the Phase I Parcels and the Phase I Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Phase I Project and the Phase I Parcels, including, without limitation Section 7-28 and Section 11-4 of the Municipal Code. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

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

8.19 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 shall be in effect throughout the Term of the Agreement.

8.20 Maintenance, Repair and Replacement of Interior Road. Although the Interior Road shall be a public right of way, the Developer shall be responsible for constructing and, upon completion of construction, thereafter maintaining, repairing and, if necessary, replacing, the Interior Road's permeable surface, at the Developer's cost and expense. Such obligation shall be in perpetuity and shall survive the Term of the Agreement. After the issuance of the Certificate pursuant to Section 7.01, the Developer, with the prior written consent of the City, may assign such continuing obligations to a business association or condominium association comprised of business owners and/or operators on the Property. Such consent shall not be unreasonably withheld or delayed provided that the City is provided with reasonable evidence of any such association's obligations to fulfill such continuing obligations. A failure by the Developer (or any such successor association) under this Section 8.20 shall, if not cured pursuant to Section

15.03, be an Event of Default under **Section 15.01**. Such an Event of Default shall entitle the City to the remedies under **Section 15.02(a)** hereof, including but not limited to the right of the City to maintain, repair and/or replace the Interior Road and shall also entitle the City to place a lien upon the Property (subordinate to any Existing Mortgage or Permitted Mortgage) to secure the Developer's (or any successor association's) repayment of any costs incurred by the City. Upon the expiration of the Term of the Agreement, the City may continue the terms of this **Section 8.20** pursuant to a separately recorded instrument. Upon any affected owner's payment of an allocable share of any such lien amount, as reasonably determined by the City, the City shall release its lien as to such owner's parcel.

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

The provisions of this **Section 10** shall initially apply to the Developer, the Phase I Project (referred to in this **Section 10** as the "Project") and the Phase I Parcels (referred to in this **Section 10** as the "Property"). Such provisions shall also apply to any Phase II Project development work that is undertaken. In such instance, references to the "Developer", the "Project" and the "Property" shall be construed to apply to the Qualified Purchaser (or Qualified Lessee), the Phase II Project development work, and the applicable Development Parcel(s).

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

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure

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

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

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

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

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

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

10.02 City Resident Construction Worker Employment Requirement. The Developer agrees for itself and its successors and assigns, 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.

Each Employer shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project and 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, but excluding tenant improvements that are not undertaken by the Developer), shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution.

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

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

10.03 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 (as defined in Section 10.02) 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 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 24 percent by MBEs.
- ii. At least 4 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 that 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.

(d) 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 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) Prior to the commencement of the Project, the Developer, the General Contractor and all major subcontractors shall be required to meet 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 shall demonstrate to DPD its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by DPD. During 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, or (3) seek any other remedies against the Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

The City has conducted environmental studies sufficient to enable the City and the Developer to reasonably estimate that the Phase I Parcels may be remediated and one or more NFRLs obtained with respect to such parcels for an amount equal to or less than the Remediation Cap, and the Phase I Project thereafter constructed, completed and operated in accordance with all Environmental Laws (taking into account and giving effect to the provisions of such NFRL) and this Agreement and all Exhibits attached hereto, the Plans and Specifications and all amendments thereto, and the Redevelopment Plan.

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, but only to the extent 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 all or any portion of the Parcels in violation of the terms of any NFRL applicable to the Parcels, or any portion thereof, or (ii) any liens against the Parcels 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 Parcels arising from a violation of any of the terms of any NFRL applicable to the Parcels, or any portion thereof. If the Developer resells any Development Parcel to a Qualified Purchaser, such transferee shall provide a similar limited indemnity, defense and hold harmless with respect to violations of any of the terms of any NFRL applicable to the Development Parcel(s) that it acquires.

SECTION 12. INSURANCE

The Developer shall provide and maintain, or cause to be provided, at the Developer's or the General Contractor'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) After Construction 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, illness or disease.

(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) During 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, illness or disease.

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

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

(iii) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the General 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 improvements are to be constructed within fifty (50) feet of railroad or transit Property, General Contractor shall provide, or cause to be provided with respect to the operations that the General 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 General Contractor undertakes any construction, including improvements, betterments, and/or repairs, the General 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. The City of Chicago agrees to indorse any proceeds check provided that such proceeds are made available for rebuilding of the Project, or any applicable portion thereof.

(vi) Professional Liability

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

(vii) Valuable Papers Insurance

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

(viii) Contractor's Pollution Liability

When any remediation work is performed which may cause a pollution exposure, contractor's Pollution Liability shall be provided with limits of not less than \$1,000,000 insuring bodily injury, Property damage and environmental remediation, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy that 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) Property Insurance

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 Phase I Project improvements. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City of Chicago is to be named as a loss payee. The City of Chicago agrees to indorse any proceeds check provided that such proceeds are made available for rebuilding of the Project, or any applicable portion thereof.

(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 or the General Contractor pursuant to the requirements of subsections (a) or (b) of this Section 12, as applicable.

The Developer hereby waives and agrees to require 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 or the General Contractor's liabilities and responsibilities specified within the Agreement documents or by law.

The Developer expressly understands and agrees that the Developer's or the General Contractor'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 or the General Contractor 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.

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

The Developer 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.

The provisions of this Section 12 shall initially apply to the Developer, the Phase I Project and the Phase I Parcels. Such provisions shall also apply to any Phase II Parcels conveyed and Phase II Project development work that is undertaken. In such instance, references

to the “Developer”, the “Phase I Project” and the “Phase I Parcels” shall be construed to apply to the Qualified Purchaser (or Qualified Lessee), the Phase II Project development work, and the applicable Phase II Parcel(s).

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 the General Contractor, subcontractors or materialsmen 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.

The provisions of this Section 13 shall initially apply to the Developer and the Phase I Project. Such provisions shall also apply to any Phase II Project development work that is

undertaken. In such instance, references to the "Developer" shall be construed to apply to the Qualified Purchaser (or Qualified Lessee).

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECTS

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

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

SECTION 15. DEFAULT AND REMEDIES

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

(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 Phase I Parcels, 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 that prevents the fulfillment of any obligation of this Agreement which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

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

(i) the dissolution of the Developer; or

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

(k) any prohibited sale, lease or transfer of the ownership interests in the Phase I Parcels in violation of Section 8.01 hereof without the prior written consent of the City.

For purposes of Section 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of ten percent (10%)of the Developer's membership interests.

The defaults specified in this Section 15.01 (as well as the remedies provided for in Section 15.02, and the curative period provided for in Section 15.03) shall initially apply to the Developer, the Phase I Project, and the Phase I Parcels. Such default provisions shall also apply to any Phase II Project development work that is undertaken. In such instance, references to the "Developer", the "Phase I Project" and the "Phase I Property" shall be construed to apply to the

Qualified Purchaser (or Qualified Lessee), the Phase II Project development work, and the applicable Phase II Parcel(s).

15.02 Remedies. (a) Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, may suspend payments of City Funds and seek reimbursement of the Phase I TIF Payment. 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.

(b) If a Development Parcel is sold or leased in breach of Section 4.09, Section 4.10 or Section 8.01(d) or (j), as applicable, the Developer (or Qualified Purchaser or Qualified Lessee, as applicable) shall pay the City all proceeds arising from such unauthorized sale or lease.

(c) If the use covenant in Section 8.06, is violated with respect to any Phase I Parcel or Phase II Parcel, the City may enjoin the unpermitted use and specifically enforce such use covenant.

(d) If the Event of Default results in the City's exercise of its right to revert as to any Parcel, and the City is required to pay any amounts as a release or pay-off price in order to obtain title free and clear of any lien of an Existing Mortgage or a Permitted Mortgage (which such price, in the case of the Lender's Existing Mortgage, shall not exceed the Applicable Purchase Price for any Parcel), then the City shall also be entitled to recover from the Developer the difference between the Applicable Purchase Price initially paid by the Developer for the Applicable Parcel and the amount that the Lender or a subsequent lender establishes as its release or pay-off price for such Parcel.

The remedies set forth in this Section 15.02 are cumulative and are in addition to the rights of re-entry and reversion in the City Deed, which rights shall be exercisable as described in Section 4.

15.03 Curative Period. If the Developer fails to perform a monetary covenant 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 fails to cure such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying such monetary default. If the Developer fails to perform a non-monetary covenant under this Agreement, an Event of Default shall not be deemed to have occurred unless the Developer fails 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, if a non-monetary default cannot reasonably be cured within such thirty (30) day period, an Event of Default shall not be deemed to have occurred if the Developer has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default to completion.

SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust (or other recorded security instruments such as assignments of rents) in place as of the date hereof with respect to the Parcels or any portion thereof are listed on Exhibit H hereto (including but not limited to mortgages or other recorded security instruments such as assignments of rents 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 Parcels 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 Parcels or any portion thereof with the prior written consent of the City (which consent shall not be unreasonably withheld or delayed), 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 Parcels 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, those provisions being Sections 8.02 and 8.06.

(b) In the event that any mortgagee or any other party shall succeed to the Developer's interest in the Parcels 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 the exercise of any such remedy and the transfer of title to the Parcels or to a mortgagee or any other party in connection with such exercise shall not be subject to the consent of the City or DPD), 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 as to the applicable Parcels; 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, 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, those provisions being Sections 8.02 and 8.06.

(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 Parcels or any portion thereof without the prior written consent of the Commissioner of DPD, which consent shall not be unreasonably withheld or delayed.

(d) The provisions of this Section 13 shall initially apply to the Developer and all of the Parcels. Such provisions shall also apply to any Development Parcel(s) with respect to development work that is undertaken on such parcels by a Qualified Purchaser (other than the Developer) (or a Qualified Lessee). In such instance, references to the "Developer" and "Phase I Parcels" shall be construed to apply to the Qualified Purchaser (other than the Developer) (or Qualified Lessee) and the Development Parcel(s), respectively.

(e) The Developer covenants, warrants and represents that, upon the City's exercise of the right of re-entry and reverter as contemplated in Section 4.09(a)(i) hereof, the pay-off or release prices at which the Lender's Existing Mortgage on the Parcels may be released from each such Parcel shall not exceed the Applicable Purchase Price for each such Parcel.

SECTION 17. NOTICE

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

If to the City:	City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner
With Copies To:	City of Chicago Department of Law Finance and Economic Development Division 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Deputy Corporation Counsel
If to the Developer:	Chicago GreenWorks LLC 551 North Sacramento Avenue Chicago, Illinois 60610

With Copies To:

Neal and Leroy
203 North LaSalle Street, Suite 2300
Chicago, Illinois 60601
Attention: Langdon Neal

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

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibit C hereto without the consent of any party hereto. It is agreed that, subject to the discretion granted to the Commissioner under Section 8.02, 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 the applicability of the covenants running with the land specified in Section 7.01 or the construction participation obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) or materially changes the Phase I Project site or character of the Phase I Project, or increases any time agreed for performance by the Developer by more than six months from the date (and extensions) provided for herein (and excluding delays constituting force majeure events under Section 18.17). It is the parties' intent, however, that subject to such limitations, and subject to the requirements of this Agreement, the parties shall be able to complete the Phase II Project without additional City Council approvals.

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

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

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

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

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

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

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

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

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

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

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

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

18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD or the Commissioner, or any matter is to be to the City's, DPD's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, 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. In furtherance of the foregoing, the terms of this Agreement may be modified administratively by the Commissioner without the same being deemed an amendment to this Agreement provided that the Commissioner, consistent with the discretion granted to the Commissioner under Section 8.02, has determined that such modification is appropriate and consistent with the terms and conditions of this Agreement and the purposes underlying the provisions hereof.

18.15 Assignment. Prior to the Outside Conveyance Date, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City, provided that the Developer may collaterally assign its interest in this Agreement in whole or in part to a Lender which has been identified to the City as of the Closing Date. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited Section 8.19 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

18.17 Force Majeure. Neither the City nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, the inability to receive timely processing of reports and draft NFRLs under the Site Remediation Program by the Illinois Environmental Protection Agency, the failure by the City to fund Qualified Remediation Costs on a timely basis, the failure by the City to complete the City Road Work in a timely manner and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay,

immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

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

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

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

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

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

contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

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

18.24 Executive Order 2005-1. Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Developer and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (i) after execution of this Agreement by Developer, (ii) while this Agreement or any Other Contract is executory, (iii) during the term of this Agreement or any Other Contract between Developer and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Developer represents and warrants that from the later of (i) February 10, 2005, or (ii) the date the City approached the Developer or the date the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Developer agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 05-1.

Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 05-1 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 05-1 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

“Bundle” means to collect contributions from more than one source that are then delivered by one person to the Mayor or to his political fundraising committee.

“Other Contract” means any other agreement with the City of Chicago to which Developer is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

"Contribution" means a "Political Contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are “Domestic Partners” if they satisfy the following criteria:

- (A) they are each other's sole domestic partner, responsible for each other's common welfare; and
- (B) neither party is married; and
- (C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (E) two of the following four conditions exist for the partners:
 - 1. The partners have been residing together for at least 12 months.
 - 2. The partners have common or joint ownership of a residence.


3. The partners have at least two of the following arrangements:
 - a. joint ownership of a motor vehicle;
 - b. a joint credit account;
 - c. a joint checking account;
 - d. a lease for a residence identifying both domestic partners as tenants.
4. Each partner identifies the other partner as a primary beneficiary in a will.

"Political fundraising committee" means a "Political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

[Signatures Appear On Next Page]

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

CHICAGO GREENWORKS LLC, an Illinois limited liability company

By: 
Its: MEMBER

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

By: 
Lori T. Healey
Acting Commissioner 

Exhibit D
TIF-FUNDED IMPROVEMENTS

<u>Line Item</u>	<u>Cost</u>
Demolition, Site Preparation	\$ 204,033
Public Infrastructure	\$ 1,444,298
Site Preparation (Qualified Remediation Costs)	\$ 4,500,000
Total TIF-Eligible Costs:	\$ 6,148,331*

***Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in Section 4.03.**

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

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

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

WHO MUST SUBMIT AN EDS:

1. **Applicants:** Any individual or entity (the "Applicant") making an application to the City for action requiring City Council or other City agency approval must file this EDS.
2. **Entities holding an interest in the Applicant:** Generally, whenever an ownership interest in the Applicant (for example, shares of stock of the Applicant or a limited partnership interest in the Applicant) is held or owned by a legal entity (for example, a corporation or partnership, rather than an individual) each such legal entity must also file an EDS on its own behalf, and any parent of that legal entity must do so until individual owners are disclosed. **However**, if an entity filing an EDS is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, only those shareholders that own 10% or more of that filing entity's stock must file EDSs on their own behalf.

ACKNOWLEDGMENT OF POSSIBLE CREDIT AND OTHER CHECKS: By completing and filing this EDS, the Undersigned acknowledges and agrees, on behalf of itself and the entities or individuals named in this EDS, that the City may investigate the creditworthiness of some or all of the entities or individuals named in this EDS.

CERTIFYING THIS EDS: Execute the certification on the date of the initial submission of this EDS. **You may be asked to re-certify this EDS on the last page as of the date of submission of any related ordinance to the City Council, or as of the date of the closing of your transaction.**

PUBLIC DISCLOSURE: It is the City's policy to make this document available to the public on its Internet site and/or upon request.

GENERAL INFORMATION

Date this EDS is completed: 4/15/05

A. **Who is submitting this EDS?** That individual or entity will be the "Undersigned" throughout this EDS. CHICAGO GREENWORKS, LLC

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

NOTE: The Undersigned is the individual or entity submitting this EDS, whether the Undersigned is an Applicant or is an entity holding an interest in the Applicant. This EDS requires certain disclosures and certifications from Applicants that are not required from entities holding an interest in the Applicant. When completing this EDS, please observe whether the section you are completing applies only to Applicants.

- Check here if the Undersigned is filing this EDS as an Applicant.
- Check here if the Undersigned is filing as an entity holding an interest in an Applicant.

Also, please identify the Applicant in which this entity holds an interest:

-
- B. Business address of the Undersigned: 230 N. WESTERN AVE.
CHICAGO, IL 60612
 - C. Telephone: (312) 829-2926 Fax: (312) 829-2923 Email: ROGERPOST@CHRISTYWBSSEK.COM
 - D. Name of contact person: ROGER POST
 - E. Tax identification number (optional): [REDACTED]
 - F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location if applicable):
CHICAGO GREENWORKS RANCHO VENTURA PROJECT
NEGOTIATED SALE AND TIF REQUEST
 - G. Is the Matter a procurement? Yes No
 - H. If a procurement, Specification # _____ and Contract # _____
 - I. If not a procurement:
 - 1. City Agency requesting EDS: DEPT. OF PLANNING & DEVELOPMENT
 - 2. City action requested (e.g. loan, grant, sale of property):
NEGOTIATED SALE OF PROPERTY, TIF REQUEST, RE-ZONING
 - 3. If property involved, list property location:
417-455 N. SACRAMENTO (ADJACENT TO CHICAGO CENTER FOR GREEN TECHNOLOGY)

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

SECTION ONE: DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF ENTITY

1. Indicate whether the Undersigned is an individual or legal entity:

- Individual Limited Liability Company
- Business corporation Joint venture
- Sole proprietorship Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
 Yes No
- General partnership Other entity (please specify)
- Limited partnership

2. State of incorporation or organization, if applicable ILLINOIS

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

- Yes No N/A

B. ORGANIZATION INFORMATION

1. IF THE UNDERSIGNED IS A CORPORATION:

a. List below the names and titles of all executive officers and all directors of the corporation. For not-for-profit corporations, also list below any executive director of the corporation, and indicate all members, if any, who are legal entities. If there are no such members, write "no members."

Name	Title
<u>N/A</u>	

b(1). If the Matter is a procurement and the Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of 7.5% of the corporation's outstanding shares.

Name	Business Address	Percentage Interest
<u>N/A</u>		

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

b(2). If the Matter is not a procurement, and the Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of 10% of the corporation's outstanding shares.

Name	Business Address	Percentage Interest
N/A		

c. For corporations that are not registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, list below the name, business address and percentage of ownership interest of each shareholder.

Name	Business Address	Percentage Interest
N/A		

2. IF THE UNDERSIGNED IS A PARTNERSHIP OR JOINT VENTURE:
For general or limited partnerships or joint ventures: list below the name, business address and percentage of ownership interest of each partner. For limited partnerships, indicate whether each partner is a general partner or a limited partner.

Name	Business Address	Percentage Interest
N/A		

3. IF THE UNDERSIGNED IS A LIMITED LIABILITY COMPANY:
a. List below the name, business address and percentage of ownership interest of each (i) member and (ii) manager. If there are no managers, write "no managers," and indicate how the company is managed.

Name	Business Address	Percentage Interest
CHRISTY WEBBER	MANAGER / MEMBER	100%

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

b. List below the names and titles of all officers, if any. If there are no officers, write "no officers."

Name	Title
N/A	

4. IF THE UNDERSIGNED IS A LAND TRUST, BUSINESS TRUST, ESTATE OR OTHER SIMILAR ENTITY:

a. List below the name and business address of each individual or legal entity holding legal title to the property that is the subject of the trust.

Name	Business Address
N/A	

b. List below the name, business address and percentage of beneficial interest of each beneficiary on whose behalf title is held.

Name	Business Address	Percentage Interest
N/A		

5. IF THE UNDERSIGNED IS ANY OTHER LEGAL ENTITY, first describe the entity, then provide the name, business address, and the percentage of interest of all individuals or legal entities having an ownership or other beneficial interest in the entity.

Describe the entity:

N/A

Name	Business Address	Percentage Interest
N/A		

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

SECTION TWO: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

A. DEFINITIONS AND DISCLOSURE REQUIREMENT

1. The Undersigned must indicate whether it had a "business relationship" with a City elected official in the 12 months before the date this EDS is signed.

2. Pursuant to Chapter 2-156 of the Municipal Code of Chicago (the "Municipal Code"), a "business relationship" means any "contractual or other private business dealing" of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a "financial interest," with a person or entity which entitles an official to compensation or payment in the amount of \$2,500 or more in a calendar year; but a "financial interest" does not include: (i) any ownership through purchase at fair market value or inheritance of less than 1% of the shares of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended, (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" does not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

B. CERTIFICATION

1. Has the Undersigned had a "business relationship" with any City elected official in the 12 months before the date this EDS is signed?

Yes No

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

SECTION THREE: DISCLOSURE OF RETAINED PARTIES

A. DEFINITIONS AND DISCLOSURE REQUIREMENTS

1. The Undersigned must disclose certain information about attorneys, lobbyists, accountants, consultants, subcontractors, and any other person whom the Undersigned has retained or expects to retain in connection with the Matter. In particular, the Undersigned must disclose the name of each such person, his/her business address, the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Undersigned is not required to disclose employees who are paid solely through the Undersigned's regular payroll.

"Lobbyist" means any person (i) who, for compensation or on behalf of any person other than himself, undertakes to influence any legislative or administrative action, or (ii) any part of whose duty as an employee of another includes undertaking to influence any legislative or administrative action.

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

B. CERTIFICATION

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

Each and every attorney, lobbyist, accountant, consultant, subcontractor, or other person retained or anticipated to be retained directly by the Undersigned with respect to or in connection with the Matter is listed below [begin list here, add sheets as necessary]:

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Undersigned (attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated)
--	------------------	--	---

SEE ATTACHED SHEET

[] CHECK HERE IF NO SUCH INDIVIDUALS HAVE BEEN RETAINED BY THE UNDERSIGNED OR ARE ANTICIPATED TO BE RETAINED BY THE UNDERSIGNED.

SECTION FOUR: CERTIFICATIONS

I. CERTIFICATION OF COMPLIANCE

For purposes of the certifications in A, B, and C below, the term "affiliate" means any individual or entity that, directly or indirectly: controls the Undersigned, is controlled by the Undersigned, or is, with the Undersigned, under common control of another individual or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

A. The Undersigned is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Undersigned or its affiliates delinquent in paying any fine, fee, tax or other charge owed to the City. This includes all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. If there are any such delinquencies, note them below:

N/A

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

Section Three: Disclosure of Retained Parties

B. Certification

Name	Business Address	Relationship to Undersigned	Fees
Neal, Murdock & Leroy	203 N. LaSalle, Suite 230, Chicago, IL 60601	Attorney	\$98,000 (estimated)
Boyle & Associates	203 N. LaSalle, Suite M8, Chicago, IL 60601	Development Manager	\$237,714 (estimated)
Louik/Schneider & Assoc.	54 West Hubbard, Suite 210, Chicago, IL 60610	TIF Consultant	\$35,000 (estimated)
Farr Associates	53 West Jackson, Suite 650, Chicago, IL 60604	Architect	\$224,300 (estimated)
Drucker Zajdel Structural Engineers, Inc	214 South Washington St., Naperville, IL 60540	Sub To Archtect	see above
CCJM Engineers, Ltd	550 W. Washington Blvd. #950, Chicago, IL 60661	Sub To Archtect	see above
Terra Engineering	505 N. LaSalle, #250, Chicago, IL 60610	Sub To Archtect	see above
B& G Survey	2551 Bernice Road, Lansing, IL 60438	Survey	\$20,000 (estimated)
STS Consultants	750 Corporate Woods Parkway, Vernon Hills, IL 60061	Engineering	\$30,000 (esimated)
Terra Engineering	505 N. LaSalle, #250, Chicago, IL 60610	Engineering on Public Way and Greening Coordination of Overall Site	\$119,000 (estimated)
Farr Associates	53 West Jackson, Suite 650, Chicago, IL 60604	Greening & Coordination of Overall Site	\$42,000 (estimated)

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

B. The Undersigned and its affiliates have not, in the past five years, been found in violation of any City, state or federal environmental law or regulation. If there have been any such violations, note them below:

N/A

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

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

D. If the Undersigned is the Applicant, the Undersigned will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Section Four, I, (A-C) above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Undersigned has reason to believe has not provided or cannot provide truthful certifications.

If the Undersigned is unable to make the certifications required in Section Four, paragraph I (C) and (D) above, provide an explanation:

N/A

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

II. CHILD SUPPORT OBLIGATIONS - CERTIFICATION REGARDING COURT-ORDERED CHILD SUPPORT COMPLIANCE

For purposes of this part, "Substantial Owner" means any individual who, directly or indirectly, owns or holds a 10% or more interest in the Undersigned. Note: This may include individuals disclosed in Section One (Disclosure of Ownership Interests), and individuals disclosed in an EDS filed by an entity holding an interest in the Applicant.

If the Undersigned's response below is #1 or #2, then all of the Undersigned's Substantial Owners must remain in compliance with any such child support obligations until the Matter is completed. Failure of the Undersigned's Substantial Owners to remain in compliance with their child support obligations in the manner set forth in either #1 or #2 constitutes an event of default.

Check one:

1. No Substantial Owner has been declared in arrearage on any child support obligations by the Circuit Court of Cook County, Illinois or by another Illinois court of competent jurisdiction.

2. The Circuit Court of Cook County, Illinois or another Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owners in arrearage on child support obligations. All such Substantial Owners, however, have entered into court-approved agreements for the payment of all such child support owed,

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

and all such Substantial Owners are in compliance with such agreements.

- ___ 3. The Circuit Court of Cook County, Illinois or another Illinois court of competent jurisdiction has issued an order declaring one or more Substantial Owners in arrearage on child support obligations **and** (a) at least one such Substantial Owner has not entered into a court-approved agreement for the payment of all such child support owed; **or** (b) at least one such Substantial Owner is not in compliance with a court-approved agreement for the payment of all such child support owed; **or** both (a) and (b).
- ___ 4. There are no Substantial Owners.

III. FURTHER CERTIFICATIONS

- A. The Undersigned and, if the Undersigned is a legal entity, its principals (officers, directors, partners, members, managers, executive director):
1. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
 2. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
 3. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause (A)(2) of this section;
 4. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
 5. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, in any criminal or civil action instituted by the City or by the federal government, any state, or any other unit of local government.
- B. The certifications in subparts B and D concern:
- the Undersigned;
 - any party participating in the performance of the Matter ("an **Applicable Party**");
 - any "**Affiliated Entity**" (meaning an individual or entity that, directly or indirectly: controls the Undersigned, is controlled by the Undersigned, or is, with the Undersigned, under common control of another individual or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Applicable Parties, the term Affiliated Entity means an individual or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under common control of another individual or entity;
 - any responsible official of the Undersigned, any Applicable Party or any Affiliated Entity or any other official, agent or employee of the Undersigned, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Undersigned, any Applicable Party or any Affiliated Entity (collectively "**Agents**").

Neither the Undersigned, nor any Applicable Party, nor any Affiliated Entity of either the Undersigned or any Applicable Party nor any Agents have, during the five years before the date this EDS is signed, or, with respect to an

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Applicable Party, an Affiliated Entity, or an Affiliated Entity of an Applicable Party during the five years before the date of such Applicable Party's or Affiliated Entity's contract or engagement in connection with the Matter:

- 1. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
 - 2. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 - 3. made an admission of such conduct described in (1) or (2) above that is a matter of record, but have not been prosecuted for such conduct; or
 - 4. violated the provisions of Section 2-92-610 of the Municipal Code (**Living Wage Ordinance**).
- C. The Undersigned understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2-156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).
- D. Neither the Undersigned, Affiliated Entity or Applicable Party, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
- E. If the Undersigned is unable to certify to any of the above statements in this Part III, the Undersigned must explain below:

N/A

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

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respond to Item V(2) and provide the information requested in Item V(3). After responding to those items, review the certification in Item V(4) and proceed to Part VI.

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

Does the Matter involve a City Property Sale?
 Yes No

3. If you answered "yes" to Item V(1), provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

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

VI. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

Please check either (1) or (2) below. If the Undersigned checks (2), the Undersigned must disclose below or in an attachment to this EDS all requisite information as set forth in that paragraph (2).

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

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

SECTION FIVE: CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

I. CERTIFICATION REGARDING LOBBYING

A. List below the names of all individuals registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Undersigned with respect to the Matter: [Begin list here, add sheets as necessary]:

NA

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

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

C. The Undersigned will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs I(A) and I(B) above.

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any individual for influencing or attempting to influence an officer or employee of any agency (as defined by applicable federal law), a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the Matter, the Undersigned must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sfillin.pdf>, linked on the page http://www.whitehouse.gov/omb/grants/grants_forms.html.

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

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

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II. CERTIFICATION REGARDING NONSEGREGATED FACILITIES

A. If the Undersigned is the Applicant, the Undersigned does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained.

"Segregated facilities," as used in this provision, means any waiting rooms, work areas, restrooms, washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin because of habit, local or employee custom, or otherwise.

However, separated or single-user restrooms and necessary dressing or sleeping areas must be provided to assure privacy between the sexes.

B. If the Undersigned is the Applicant and the Matter is federally funded, the Undersigned will, before the award of subcontracts (if any), obtain identical certifications from proposed subcontractors under which the subcontractor will be subject to the Equal Opportunity Clause. Contracts and subcontracts exceeding \$10,000, or having an aggregate value exceeding \$10,000 in any 12-month period, are generally subject to the Equal Opportunity Clause. See 41 CFR Part 60 for further information regarding the Equal Opportunity Clause. The Undersigned must retain the certifications required by this paragraph (B) for the duration of the contract (if any) and must make such certifications promptly available to the City upon request.

C. If the Undersigned is the Applicant and the Matter is federally funded, the Applicant will forward the notice set forth below to proposed subcontractors:

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENTS FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

Subcontractors must submit to the Contractor a Certification of Nonsegregated Facilities before the award of any subcontract under which the subcontractor will be subject to the federal Equal Opportunity Clause. The subcontractor may submit such certifications either for each subcontract or for all subcontracts during a period (e.g., quarterly, semiannually, or annually).

III. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

Federal regulations require prospective contractors for federally funded Matters (e.g., the Applicant) and proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations. (NOTE: This Part III is to be completed only if the Undersigned is the Applicant.)

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

Yes No N/A

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- B. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
 Yes No N/A
- C. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
 Yes No N/A

SECTION SIX: NOTICE AND ACKNOWLEDGMENT REGARDING CITY GOVERNMENTAL ETHICS AND CAMPAIGN FINANCE ORDINANCES

The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on individuals or entities seeking City contracts, work, business, or transactions. The Board of Ethics has developed an ethics training program for such individuals and entities. The full text of these ordinances and the training program is available on line at www.cityofchicago.org/Ethics/, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The following is descriptive only and does not purport to cover every aspect of Chapters 2-156 and 2-164 of the Municipal Code. The Undersigned must comply fully with the applicable ordinances.



BY CHECKING THIS BOX THE UNDERSIGNED ACKNOWLEDGES THAT THE UNDERSIGNED UNDERSTANDS THAT THE CITY'S GOVERNMENTAL ETHICS AND CAMPAIGN FINANCING ORDINANCES, AMONG OTHER THINGS:

- 1) Provide that any contract negotiated, entered into or performed in violation of the City's ethics laws can be voided by the City.
- 2) Limit the gifts and favors any individual or entity can give, or offer to give, to any City official, employee, contractor or candidate for elected City office or the spouse or minor child of any of them, including:
 - a. any cash gift or any anonymous gift; and
 - b. any gift based on a mutual understanding that the City official's or employee's or City contractor's actions or decisions will be influenced in any way by the gift.
- 3) Prohibit any City elected official or City employee from having a financial interest, directly or indirectly, in any contract, work, transaction or business of the City, if that interest has a cost or present value of \$5,000 or more, or if that interest entitles the owner to receive more than \$2,500 per year.
- 4) Prohibit any appointed City official from engaging in any contract, work, transaction or business of the City, unless the matter is wholly unrelated to the appointed official's duties or responsibilities.
- 5) Provide that City employees and officials, or their spouses or minor children, cannot receive compensation or anything of value in return for advice or assistance on matters concerning the operation or business of the City, unless their services are wholly unrelated to their City duties and responsibilities.
- 6) Provide that former City employees and officials cannot, for a period of one year after their City employment ceases, assist or represent another on any matter involving the City if, while with the City, they were personally and substantially involved in the same matter.

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

- 7) Provide that former City employees and officials cannot ever assist or represent another on a City contract if, while with the City, they were personally involved in or directly supervised the formulation, negotiation or execution of that contract.

SECTION SEVEN: CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Undersigned understands and agrees that:

- A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Undersigned understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.
- B. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded, void or voidable), at law, or in equity, including terminating the Undersigned's participation in the Matter and/or declining to allow the Undersigned to participate in other transactions with the City.
- C. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Undersigned waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.
- D. The Undersigned has not withheld or reserved any disclosures as to economic interests in the Undersigned, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.
- E. The information provided in this EDS must be kept current. In the event of changes, the Undersigned must supplement this EDS up to the time the City takes action on the Matter.

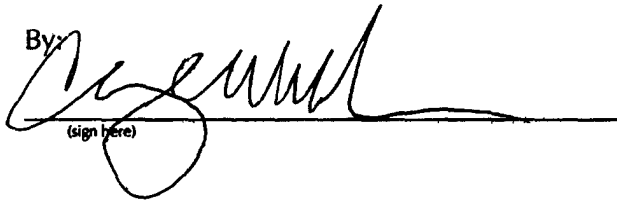
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CERTIFICATION

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

CHICAGO GREENWORKS LLC
(Print or type name of individual or legal entity submitting this EDS)

Date: 4/15/05

By: 
(sign here)

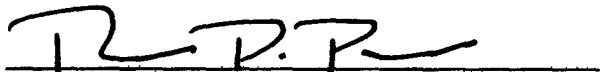
Print or type name of signatory:

CHRISTY WEBER

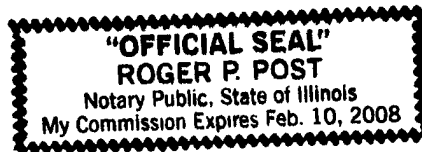
Title of signatory:

MANAGER/MEMBER

Acknowledged to before me on [date] 4/15/05, at COOK County,
ILLINOIS [state].



Commission expires: 2/10/08



(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Undersigned must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with _____ [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Undersigned, (2) warrants that all certifications and statements contained in the Undersigned's original EDS 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 of this recertification, and (3) reaffirms its acknowledgments.

CHRISTY WEAVER & Co.
(Print or type name of individual or legal entity submitting this recertification)

Date: 6/24/05

By:

R. P. P.
(sign here)

Print or type name of signatory:

ROGER P. POST

Title of signatory:

SECRETARY



Subscribed to before me on [date] 24, at COOK County, ILLINOIS [state].

Scott D. Slate Notary Public.

Commission expires: 3/17/09