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NEAR SOUTH REDEVELOPMENT AGREEMENT

8/1/00

BY AND BETWEEN

THE CITY OF CHICAGO

AND

AMERICAN STORES PROPERTIES, INC.

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

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LIST OF EXHIBITS

Exhibit A	*Redevelopment Area
Exhibit B1	*Developer Parcels
Exhibit B2	*City Parcels
Exhibit C	*TIF-Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
Exhibit F	[omitted]
Exhibit G	*Permitted Liens
Exhibit H1	Project Budget
Exhibit H2	MBE/WBE Budget
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Exhibit M	*Public Benefits Program
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Exhibit O	Job Readiness Program
Exhibit P	City Deeds
Exhibit Q	Payment and Performance Bond

(An asterisk(\*) indicates which exhibits are to be recorded.)

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

**NEAR SOUTH REDEVELOPMENT AGREEMENT**

This Near South Redevelopment Agreement (this "Agreement") is made as of this 19<sup>th</sup>  
day of July, 2000, by and between the City of Chicago, an Illinois municipal corporation  
(the "City"), through its Department of Planning and Development ("DPD"), and American  
Stores Properties, Inc., a Delaware corporation (the "Developer").

**RECITALS**

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

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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 and conservation area conditions 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") originally adopted various ordinances on November 28, 1990 creating the Central Station Area Tax Increment Redevelopment Project Area (the "Original Redevelopment Project Area") and adopting tax increment allocation financing for said Area, which were amended, expanded and renamed in the following ordinances adopted on August 3, 1994: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Near South Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Near South 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 Near South Redevelopment Project Area" (the "TIF Adoption Ordinance"), (all of the above collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above, as amended (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: The Developer has purchased certain property located within the Redevelopment Area at Roosevelt Road, South State Street and South Wabash Avenue, Chicago, Illinois and legally described on Exhibit B1 hereto ("Developer Parcels"). The Developer Parcels also includes that certain public right of way that the City intends (subject to the approval of the affected utilities) to vacate in favor of the Developer. The Developer also intends to purchase and the City intends to convey on the Closing Date (the "Acquisition") certain City-owned property located within the Redevelopment Area at 1201-27 South State Street and 1200-20 South Wabash Avenue, Chicago, Illinois and legally described on Exhibit B2 hereto ("City Parcels") (the Developer Parcels and the City Parcels collectively referred to herein as the "Purchased Properties"). The Developer also intends to lease or obtain licenses or easements to cross over and improve a certain property owned by the Chicago Transit Authority ("CTA") ("Licensed Property"). The Purchased Properties and the Licensed Property are collectively referred to herein as the "Property". Within the time frames set forth in Section 3.01 hereof, the Developer shall commence and complete the construction of an approximately 40,000 square foot Jewel grocery store and Osco drugstore, an approximately 15,000 square foot storage mezzanine, a parking lot containing space for approximately 137 customer vehicles, construction or leasing of 21 nearby employee parking spaces using the best efforts required by the Business Planned Development referenced in Section 3.02 herein, and two retail space outlots containing approximately 1,200 and 1,500 square feet, respectively (all of the foregoing collectively referred to herein as the "Facility"), a buffer of the adjacent CTA Green and Orange Lines station exit, and extensive landscaping thereon. The construction and completion of the Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The completion of



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the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Near South Tax Increment Redevelopment Project and Plan (the "Redevelopment Plan") attached hereto as Exhibit D, as amended from time to time.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) a portion of the proceeds ("TIF Bond Proceeds") of its Tax Increment Allocation Bonds (Near South Redevelopment Project) Series 1999A (the "TIF Bonds") issued pursuant to an ordinance adopted by the City Council on November 18, 1998 (the "Bond Ordinance"), (ii) Incremental Taxes (as defined below), subject to the limitations described in Section 4.03(c) herein, and/or (iii) proceeds of sales of properties located within the Redevelopment Area held by the City or such other sources as the City may determine ("Other City Financing Sources"), to pay for or reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement.

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

## SECTION 1. RECITALS

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

## SECTION 2. DEFINITIONS

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

"1990 Central Station Tax Increment Redevelopment Area Special Tax Allocation 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.

"Affiliate" shall mean any person or entity directly or indirectly controlling, controlled by or under common control with the Developer, including Albertson's, Inc., a Delaware corporation.

"Aggregate Construction and Acquisition Costs" shall mean those construction and acquisition costs marked as Aggregate Construction and Acquisition Costs on the Project Budget attached hereto as Exhibit H1.

"Available Incremental Taxes" shall mean an amount equal to the Incremental Taxes deposited in the 1990 Central Station Tax Increment Redevelopment Area Special Tax Allocation Fund attributable to the taxes levied on the Purchased Properties and the Licensed Property after the Closing Date, less the amount of the City Fee described in Section 4.05(b) hereof.

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

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

"City Fee" shall mean the fee described in Section 4.05(b) hereof.

"City Funds" shall mean the funds described in Section 4.03(b) hereof.

"Closing Date" shall mean the date of execution and delivery of this Agreement by all parties hereto.

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

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

"Deemed Pro Rata Share" shall mean 13.27%, which is calculated by dividing the amount the City is providing for Eligible Construction Costs (\$2,000,000) by the Aggregate Construction and Acquisition Costs (\$15,072,090).

"Eligible Construction Costs" means the costs of construction of the Project that constitute TIF-Funded Improvements, but specifically excluding associated acquisition costs.

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

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33

U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago.

"Equity" shall mean funds of the Developer, including funds from its parent company, Albertson's, Inc., that are available for the Project, in the amount set forth in Section 4.01 hereof, which amount may be increased pursuant to Section 4.06 (Cost Overruns) or Section 4.03(b).

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

"Financial Statements" shall mean complete audited financial statements of Albertson's, Inc. (which contains the financial information of the Developer on a consolidated basis), prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods.

"First Construction Disbursement" shall mean the first disbursement from City Funds subsequent to the Closing Date related to construction or development costs.

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

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

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the 1990 Central Station Tax Increment Redevelopment Area Special Tax Allocation Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

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

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

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

"Non-Governmental Charges" shall mean all non-governmental charges, liens, claims, or

encumbrances relating to the Developer, the Property or the Project.

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

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

"Permitted Liens" shall mean those liens and encumbrances against the Property and/or the Project set forth on Exhibit G hereto, plus any utility easements established during the construction of the Facility.

"Plans and Specifications" shall mean final construction documents containing a site plan and working drawings and specifications for the Project, including specifications regarding landscaping and permanent and construction-period signage.

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

"Private Acquisition Costs" means the costs incurred by the Developer in acquiring the Developer Parcels.

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

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

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

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

"Survey" shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on November 28, 2013.

"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.

"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 Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property, 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 Purchasing Department, or otherwise certified by the City's Purchasing Department as a women owned business enterprise.

### SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, the Developer shall, pursuant to the Scope Drawings and Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence any physical work on the Property, including, but not limited to, demolition, environmental remediation or construction of the Facility, not later than April 1, 2000; and (ii) complete construction and, except for the outlots, commence conducting business operations not later than January 21, 2002.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to DPD and DPD has approved same. Developer hereby warrants that the Scope Drawings and Plans and Specifications conform to the Business Planned Development for the Property as approved by the Chicago Plan Commission on September 21, 1999. Subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DPD as a Change Order pursuant to but only to the extent required by Section 3.04 hereof. The Scope Drawings and Plans and Specifications shall conform to the Redevelopment Plan that is in effect as of the date hereof and to all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount estimated to be not less than



Twenty Million Three Hundred Fifty Five Thousand and Ninety Dollars (\$20,355,090). The Developer hereby certifies to the City that (a) the \$2,000,000 of the City Funds designated for Eligible Construction Costs, together with Equity described in Section 4.02 hereof, shall be sufficient to complete the Project, and (b) the Project Budget as estimated is true, correct and complete in all material respects. The Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the Developer to DPD concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following, must be submitted by the Developer to DPD for DPD's prior written approval: (a) a reduction in the square footage of the Facility; (b) a change in the basic use of the Property to a use other than a grocery store and drugstore with retail outlets; (c) a delay in the completion of the Project (as specified in Section 3.01); or (d) Change Orders costing greater than Fifty Thousand Dollars (\$50,000.00) each or Five Hundred Thousand (\$500,000) in the aggregate. The Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of DPD's written approval (to the extent required in this section), except that Change Orders pertaining to (d) above shall be deemed approved if DPD has not responded at all to Developer for 10 business days or more after submission to DPD. The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer.

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

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

3.07 Progress Reports and Survey Updates. The Developer shall provide DPD with written monthly progress reports detailing the status of the Project, including a revised

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completion date, if necessary (with any change in completion date, unless due to an event referenced in Section 18.17, being considered a Change Order requiring DPD's written approval pursuant to Section 3.04). From time to time and upon the request of the City, the progress reports shall include any one or a combination of: 1) sub-contractor's activity reports; 2) General Contractor's certifications regarding labor standards and prevailing wage requirements; 3) General Contractor or sub-contractor's letters of understanding; 4) utilization reports; 5) authorizations from payroll agent; 6) certified payrolls; 7) evidence that MBEs and WBEs and their respective associations have been informed of the Project in writing and through in-person meetings; and 8) evidence of compliance with this Agreement's employment opportunity, job creation, job retention, MBE, WBE and city residency requirements. The Developer shall provide three (3) copies of an updated Survey to DPD upon the request of DPD (but not more than two times during the Project), reflecting improvements made to the Property.

3.08 Inspecting Agent or Architect. In the City's sole discretion, an independent agent or architect (other than the Developer's architect) approved by DPD may be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement of City Funds for costs related to the Project hereunder.

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 of the Developer's barricades.

3.10 Signs and Public Relations. The Developer shall erect a sign of a size and style to be 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, non-proprietary, information regarding the Developer, the Property and the Project in the City's promotional literature and communications.

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

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

3.13 Conveyance of City Parcels.

(a) Sale of City Parcels. On the Closing Date, the City shall sell "as is" and the Developer shall purchase "as is" the City Parcels for the agreed purchase price of \$1,646,090. The Developer may possess the City Parcels at the time of conveyance.

(b) Form of Deed. On the Closing Date, the City shall convey to the Developer title to the City Parcels by Quitclaim Deeds ("Deeds"), which Deeds shall be subject to repurchase under the provisions of Section 7.03(d) herein. The conveyance and title shall, in addition to the provisions of this Agreement, be subject to:

- i. the Redevelopment Plan;
- ii. the standard exceptions in an ALTA insurance policy or, if purchased by Developer, extended coverage;
- iii. taxes accruing from and after the date of closing;
- iv. the easements, encroachments, covenants and restrictions of record described as exceptions B, C, F, G and V in the Title Company's Commitment Order Number 7768604; and
- v. such defects which cannot reasonably be cured but will not affect the use or marketability of the City Parcels.

(c) Title Commitment and Insurance. The Developer shall be responsible for any title insurance or endorsements (including extended coverage) it deems necessary.

(d) Survey. The Developer shall be responsible for any survey of the City Parcels it deems necessary.

(e) Real Estate Taxes. The City shall obtain the waiver of all general real estate tax liens, if any, that exist on the City Parcels on or before the Closing Date. The Developer shall be responsible for all taxes accruing after the Closing Date.

(f) Recordation of Deed. The Purchaser shall promptly file the Deed for recordation with the Office of the Cook County Recorder of Deeds. The Developer shall pay all costs for so recording the Deed.

3.14 Vacation of Public Right of Way. The Developer shall take all steps necessary to obtain the vacation in its favor of any public right of way existing as of the Closing Date on any portion of the Developer Parcels. The City shall take all steps necessary to present to the City Council, for its approval, which approval cannot be guaranteed, a vacation ordinance pertaining to any public right of way existing on any portion of the Developer Parcels.



**SECTION 4. FINANCING**

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be Twenty Million Three Hundred Fifty Five Thousand and Ninety Dollars (\$20,355,090), to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity	\$18,355,090
Estimated City Funds (subject to <u>Section 4.03</u> )	2,000,000
 <b>ESTIMATED TOTAL</b>	 <b>\$20,355,090</b>

4.02 Developer Funds. Except for the \$2,000,000 in City Funds dedicated to Eligible Construction Costs, Equity shall be used to pay all Project Costs, including but not limited to Redevelopment Project Costs and costs of TIF-Funded Improvements.

4.03 City Funds.

(a) Uses of City Funds. City Funds (as defined in subsection (b) herein) may be used to pay directly or reimburse the Developer only for costs of TIF-Funded Improvements. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Section 4.05(d)), 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. Except for the \$2,000,000 in City Funds dedicated to Eligible Construction Costs, City Funds shall not be paid to the Developer hereunder prior to the issuance of a Certificate.

(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 reserve City funds from the sources and in the amounts described directly below (the "City Funds") to pay for or reimburse the Developer for the costs of the TIF-Funded Improvements:

City Funds

<u>Source of City Funds:</u>	<u>Maximum Amount:</u>
TIF Bond Proceeds or Other City Financing Sources	\$2,000,000 (solely for Eligible Construction Costs)
Other City Financing Sources	the lesser of the amount shown on the Schedule set forth directly below, or \$3,600,000 (solely for Private Acquisition Costs)

Schedule

<u>If paid in full by this date:</u>	<u>Maximum (solely for Private Acquisition Costs):</u>
Issuance of the Certificate	\$2,000,000
Issuance of the Certificate plus X year(s)	the sum of \$2,000,000 plus the product of X times \$160,000

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed 1) Five Million Six Hundred Thousand Dollars (\$5,600,000), if the actual total Project costs are equal to or greater than \$20,167,426, or 2) twenty-seven and eight-tenths percent (27.8%) of the actual total Project cost if actual total Project costs are less than \$20,167,426; and provided further, that on any payment date set forth in Section 4.04(b) hereof, the City shall not be obligated to pay for, from any source, Private Acquisition Costs in excess of an amount equal to the aggregate amount of Available Incremental Taxes calculated at that time.

The parties acknowledge that the City is not pledging to pay Developer any Incremental Taxes or Available Incremental Taxes herein; the phrase "Available Incremental Taxes" is being used solely to determine the amounts that the City will pay the Developer from Other City Financing Sources. The City may, in its discretion, use Incremental Taxes for payments of City Funds to the Developer hereunder, but only to the extent that and provided that any conditions or limitations of the TIF Bonds are not thereby violated.

The Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements is contingent upon the fulfillment of the conditions set forth above. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by the Developer pursuant to Section 4.01 hereof for Private Acquisition Costs shall not be reimbursed.

(c) Retainage. Each disbursement of City Funds for Eligible Construction Costs shall be reduced by fifteen percent (15%), which is to be held by the City for release upon the issuance of the Certificate.

(d) Conditional Grant of City Funds. The City grants City Funds to Developer in an amount up to but not to exceed \$5,600,000 to fund a portion of the TIF-Funded Improvements, subject to the Developer's compliance with the requirements of this Agreement.

4.04 Disbursement of City Funds.

(a) Disbursements. All disbursements of City Funds designated for Eligible

Construction Costs shall be made through the funding of draw requests from Developer on the Requisition Form shown as Exhibit L1 herein and as described in Section 5.16 herein.

(b) Requisition Form. On or before October 1, 2001 and prior to each October 1 (or such other date as the parties may agree to) thereafter, and continuing throughout the earlier of (i) the Term of the Agreement or (ii) the date that the Developer has been paid City Funds in full under this Agreement, the Developer shall provide DPD with a Requisition Form of the type shown as Exhibit L2 herein, along with the documentation described therein, to request reimbursement for Private Acquisition Costs hereunder. Requisition for reimbursement shall be made not more than one time per calendar year (or as otherwise permitted by DPD). On each December 1 (or such other date as may be acceptable to the parties), beginning in 2001 and continuing throughout the Term of the Agreement, the Developer shall meet with DPD at the request of DPD to discuss the Requisition Form(s) previously delivered.

#### 4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Project 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 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. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity required to be contributed by the Developer pursuant to Section 4.01 hereof.

(b) City Fee. Annually, the City may allocate an amount not to exceed ten percent (10%) of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Project and the Plan. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

(c) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line of the Project Budget only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items relating to Eligible Construction Costs, in an amount not to exceed \$100,000 per item, or \$500,000 in the aggregate, may be made without the prior written consent of DPD.

(d) Allocation of Costs With Respect To Sources of Funds. The proportion of the aggregate amount of funds disbursed from time to time from City Funds for Eligible Construction Costs to the total amount of funds paid for the Project shall not be greater than the Deemed Pro Rata Share at any time.

4.06 Cost Overruns. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to Section 4.03 hereof, 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 TIF-Funded Improvements in excess of City Funds and the Project.

## SECTION 5. CONDITIONS PRECEDENT

The following conditions shall be complied with to the City's satisfaction within the time periods set forth below or, if no time period is specified, prior to the Closing Date:

5.01 Project Budget. The Developer has submitted to DPD, and DPD has approved, a Project Budget (per Exhibit H1) in accordance with the provisions of Section 3.03 hereof.

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

5.03 Other Governmental Approvals. Not less than five (5) days prior to the First Construction Disbursement, the Developer shall have secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and shall submit evidence thereof to DPD.

5.04 Financing. The Developer shall have furnished proof reasonably acceptable to the City that the Developer or an Affiliate has Equity in the amounts set forth in Section 4.01 hereof to satisfy its obligations under this Agreement; proof may include, but is not limited to, a capital spending budget of the Developer or an Affiliate demonstrating that the Equity is earmarked for the Project. Any liens against the Property in existence at the Closing Date relating to the financing of the Project shall be subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

5.05 Title Insurance, Acquisition, Title, Easements and Licenses.

(a) Title Insurance. On the Closing Date, the Developer shall furnish the City with 1) a copy of the Title Policy for the Purchased Properties (except for the Developer Parcel consisting of public right of way), certified by the Title Company, showing the Developer as the named insured, and 2) certified copies of all easements and encumbrances of record with respect to the Property that are not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto, and 3) a copy of the lease pertaining to the Licensed Property, showing the Developer as the lessee. The Title Policy shall be dated as of the Closing Date and shall contain only those title exceptions listed as Permitted Liens on Exhibit G hereto and shall evidence the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy shall also

contain such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking if the property in question is improved; 3.0 with parking if not improved), contiguity, location, access and survey. Developer shall promptly furnish the City a copy of a revised Title Policy when the Developer Parcel consisting of public right of way is vacated.

(b) Acquisition. The Developer shall provide the City, prior to the Closing Date, documentation showing its purchase of the Purchased Properties. The documentation shall include copies of closing statements, purchase contracts and recorded deeds.

(c) Easements and Licenses. The Developer shall have provided to the City, prior to the Closing Date, or as soon after the Closing Date as such documents become available, copies of all fully executed documents concerning the Licensed Property under which CTA grants Developer the right to improve and cross those portions of the Property consisting of CTA land.

5.06 Evidence of Clean Title. Not less than five (5) business days prior to the Closing Date, the Developer, at its own expense, shall have provided the City with current searches under the Developer's name and the following trade names of the Developer: Jewel Food Stores; Osco Drug, as follows:

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

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

5.07 Surveys. Not less than five (5) business days prior to the Closing Date, the Developer shall have furnished the City with three (3) copies of the Survey.

5.08 Insurance. The Developer, at its own expense, shall have insured the Property in accordance with Section 12 hereof. At least five (5) business days prior to the Closing Date, certificates required pursuant to Section 12 hereof evidencing the required coverages shall have been delivered to DPD.

5.09 Opinion of the Developer's Counsel. On the Closing Date, the Developer shall furnish the City with two opinions of counsel that, together, address the issues raised in the form attached hereto as Exhibit J, with such changes as may be required by or acceptable to



Corporation Counsel. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions shall be obtained by the Developer from its general corporate counsel.

5.10 Evidence of Prior Expenditures. Not less than twenty (20) business days prior to the Closing Date, the Developer shall have provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures as set forth in Exhibit I attached hereto, in accordance with the provisions of Section 4.05(a) hereof.

5.11 Financial Statements. Not less than thirty (30) days prior to the Closing Date, the Developer shall have provided Financial Statements to DPD for its Year 1999 fiscal year and audited or unaudited interim financial statements which are available.

5.12 Documentation. The Developer shall have provided all other documentation required by DPD, satisfactory in form and substance to DPD.

5.13 Environmental. The Developer has provided DPD with copies of that certain phase I environmental audit completed with respect to the Property. Based on the City's review thereof, the City may, in its sole discretion, require the completion of a phase II environmental audit with respect to the Property prior to the Closing Date. The City reserves the right to terminate negotiations with respect to this Agreement if, in the City's view, such audits reveal the existence of material environmental problems. Prior to the Closing Date, the Developer shall provide 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. The Developer shall provide a copy of its Articles or Certificate of Incorporation containing the original certification of the Secretary of State of its state of incorporation; certificates of good standing from the Secretary of State of its state of incorporation and the State of Illinois; current bylaws; a secretary's certificate in such form and substance as the Corporation Counsel may require; and such other corporate documentation as the City may request.

5.15 Litigation. To the extent not set forth in the opinion of Developer's counsel that is required under Section 5.09 herein, the Developer shall provide to Corporation Counsel and DPD, at least ten (10) business days prior to the Closing Date, a description of all pending or threatened litigation or administrative proceedings involving the Developer which would impair its ability to perform under this Agreement, 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 Preconditions of Disbursement. Prior to each disbursement of City Funds hereunder, the Developer shall submit documentation of such expenditures to DPD, which documentation shall be satisfactory to DPD in its reasonable discretion. Such documentation

shall include copies of executed lien waivers from the General Contractor and subcontractors for all costs of the Project which have not already been approved by the City, and evidence that any disbursement of City Funds will be made in compliance with Section 4.05(d) hereof. The Developer shall also provide to the City copies of any other materials provided to the Developer by contractors or other entities in connection with requesting disbursements for Project costs. Delivery by the Developer to DPD of any request 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 disbursement request represents the actual cost of the Private Acquisition Costs or, for Eligible Construction Costs, the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees;
- (b) all amounts shown as previous payments on the current disbursement request have been paid to the parties entitled to such payment;
- (c) the Developer has approved all work and materials for the current disbursement request, and such work and materials conform to the Plans and Specifications;
- (d) the representations and warranties contained in this Redevelopment Agreement are true and correct and the Developer is in compliance with all covenants contained herein;
- (e) the Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens; and
- (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.

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. In addition, the Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements set forth in the Other Bond Ordinance, if any, the Bond Ordinance, if any, the Other Bonds, if any, the TIF Bonds, if any, and the TIF Ordinances.

## SECTION 6. AGREEMENTS WITH CONTRACTORS

### 6.01 Bid Requirement for General Contractor and Subcontractors.

- (a) Except as set forth in Section 6.01(b) below, prior to entering into an agreement with

a General Contractor or any subcontractor for construction of the Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from Developer's pre-approved list of contractors eligible to do business with the City of Chicago, and shall submit all bids received to DPD for its inspection and written approval.

(i) For the TIF-Funded Improvements, the Developer shall select from its pre-approved list the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the 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 (considering the requirements of this Agreement, including the requirements of Section 10) for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds.

(ii) For Project work other than the TIF-Funded Improvements, if the Developer selects a General Contractor (or the General Contractor selects any subcontractor) who has not submitted the lowest responsible bid (considering the requirements of this Agreement, including the requirements of Section 10), the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof.

The Developer shall submit copies of the Construction Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until all requisite permits for such work have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of the Project, the Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall be limited to 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. Prior to the execution thereof, the Developer shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above, for DPD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. Within ten (10) business days after execution of such contract by the Developer, the General Contractor and any other parties thereto, the Developer shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.



6.03 Performance and Payment Bonds. Prior to commencement of any portion of the Project which includes work in the public way, the Developer shall require that the General Contractor be bonded for its performance and payment of such work by sureties having an AA rating or better using the forms of bonds typically used by the City for public works projects, adapted as appropriate, specimen copies of which are attached hereto as Exhibit Q. The City shall be named as obligee or co-obligee on 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, to the extent applicable pursuant to the terms thereof, 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; General Contractor only), 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 ten (10) business days of the execution thereof.

## SECTION 7. COMPLETION OF CONSTRUCTION

7.01 Certificate of Completion of Construction. Upon completion of the construction of the Project in accordance with the terms of this Agreement and upon the Developer's written request, DPD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. DPD shall respond to the Developer's written request for a Certificate within thirty (30) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

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

Those covenants specifically described at Sections 8.02 and 8.06 as covenants that run with the

land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) for any time period up to and including the entire Term of the Agreement (subject to earlier extinguishment of such covenants pursuant to their terms). The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

7.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement (including Section 15.03 hereof), then the City shall have, but shall not be limited to, any of the following rights and remedies:

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

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

(c) the right to seek reimbursement of the City Funds from the Developer, provided that the City is entitled to rely on an opinion of counsel that such reimbursement will not jeopardize the tax-exempt status of the TIF Bonds; and

(d) the right to repurchase title to the City Parcels pursuant to Section 15.02(b), provided, however, that this remedy expires upon issuance of a certificate of occupancy for the Facility. If the City exercises this right, then Developer will execute and deliver any documents and take any usual and customary actions necessary to reconvey the City Parcels to the City, and to record and perfect good title in the City to the City Parcels, including, but not limited to, the following:

- (1) a special warranty deed from Developer to the City;
- (2) an Owner's Title policy in favor of the City at the expense of Developer, evidencing a quality of title equal to that which existed when the City conveyed the City Parcels to the Developer, with no other liens or encumbrances other than those of a definite and ascertainable amount that can be (and will be) paid off out of proceeds received from the City;
- (3) proration of real estate tax and other pro-ratable items.

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

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

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

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

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

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

(d) unless otherwise permitted pursuant to the terms of this Agreement (including subsection (j) of this Section 8.01), the Developer shall acquire and shall maintain: 1) subject to the terms thereof, all leases to cross over and improve the Licensed Property that are necessary for the uses described in this Agreement; 2) except for the Developer Parcel consisting of public right of way, for all other portions of the Property, good, indefeasible and merchantable fee simple title free and clear of all liens except for the Permitted Liens and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof; and 3) upon Developer's acquisition of fee simple title to the Developer Parcel presently consisting of public right of way, said parcel shall thereafter be subject to subsection 2) hereof;

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

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

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

business and to construct, complete and operate the Project;

(h) the Developer is not in default that would affect its ability to perform under this Agreement 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 entities described therein, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of the entities described therein since the date of the Developer's most recent Financial Statements;

(j) the Developer shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation, except in a transaction involving only Affiliates or in a transaction that will not cause a material or detrimental change in the ability of the Developer to fulfill the obligations of this Agreement; (2) prior to the completion of the Project (as evidenced by the issuance of a Certificate), sell, transfer, convey, lease (except for the two retail outlots) or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business or except with respect to the transfer of all or any portion of the Property to an Affiliate; (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity, if such action would materially adversely affect the ability of the Developer to fulfill its obligations under this Agreement; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition, if such action would materially adversely affect the ability of the Developer to fulfill its obligations under this Agreement,

(k) the Developer has not incurred, and shall not, without the prior written consent of the Commissioner of DPD ("Commissioner"), allow the existence of any liens against the Property other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property or any fixtures now or hereafter attached thereto; provided that nothing herein is intended to prohibit the Developer from obtaining senior purchase money financing for store equipment and other tangible personal property customarily financed separately by grocery and drug store developers; 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 Complete the Project. Upon DPD's approval of the Project Budget, the



Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03 hereof, and upon the Chicago Plan Commission's approval of the Business Planned Development for the Property as provided in Section 3.02, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall complete the Project in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section 8.02 shall run with the land and be binding upon any transferee until issuance of the Certificate.

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 that is in effect as of the date hereof from the commencement of this Agreement until issuance of the Certificate.

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

8.05 Other Bonds. The Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any additional bonds in connection with the Project, the proceeds of which are to be used to reimburse the City for expenditures made in connection with 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 Other Bonds, including but not limited to providing written descriptions of the Project, making representations, providing publicly available information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

8.06 Job Creation and Retention; Covenant to Remain in the City. Not less than one hundred fifteen (115) full-time equivalent, permanent jobs shall be created by the Developer, or caused to be created, at the Jewel grocery store and Osco drugstore upon the completion of construction thereof, and the Developer shall retain those jobs, or cause these jobs to be retained, for the Term of the Agreement. The Developer will provide employment opportunities to residents of the Redevelopment Area in the manner specified in Exhibit N hereto and shall provide the DPD with the report required therein. The Developer hereby covenants and agrees to maintain operations, or cause such operations to be maintained, within the City of Chicago at the site described above through the Term of the Agreement. The Developer shall not change the uses of the Facility from the initial uses as approved by DPD without the written consent of the DPD. The Developer also agrees that the payment of City Funds may be suspended and this Agreement terminated if the improved portion of the Property that is devoted to selling space remains at least 93% vacant for more than one continuous twelve-month period during the Term of the Agreement. The obligations of the Developer to provide jobs and maintain operations, or cause same to be provided and maintained, as set forth above, shall not apply to any portion of

the Facility at which the Developer has suspended operations at such portion of the Facility in connection with the repair, remodeling or change in operator of such portion of the Facility. The covenants set forth in this Section 8.06 shall run with the land and be binding upon any transferee, and the sole remedy for failure to meet the obligations of these covenants is set forth in Section 8.22 herein.

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, to the extent applicable pursuant to Section 10 hereof, cause each subcontractor to abide by, the terms set forth in Section 10 hereof. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City when the Project is 25%, 50%, 70% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which the Developer shall correct any shortfall.

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

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

8.10 Arms-Length Transactions. Unless DPD shall have 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 or the Property.

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 other than ownership of less than five percent of the outstanding publicly-traded shares of Developer's parent company.

8.13 Financial Statements. The Developer shall obtain and provide to DPD Financial Statements for the year 2000 fiscal year and each year thereafter for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

8.15 Non-Governmental Charges.

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

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

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

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

8.16 Developer's Liabilities. The Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder. The Developer shall immediately notify DPD of any and all events or actions which may materially affect the Developer's ability to perform its obligations under this Agreement.

8.17 Compliance with Laws. To the best of the Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified herein), and all amendments and supplements hereto to be recorded and filed against the Purchased Properties on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement shall be recorded prior to any mortgage made in connection with a loan from an Affiliate. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment of Governmental Charges. The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Project, the Purchased Properties, the Licensed Property to the extent of Developer's interest therein, which create or may create a lien upon the Developer or all or any portion of the Property or the Project. "Governmental Charges" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to the Developer, the Property or the Project including but not limited to real estate and leasehold taxes.

(ii) Right to Contest. The Developer shall have the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental



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

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

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

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

8.20 Public Benefits Program. Upon prior approval by the DPD, the Developer shall, immediately upon completion of the Facilities, undertake a public benefits program as described on Exhibit M. On a semi-annual basis, the Developer shall provide the City with a status report describing in sufficient detail the Developer's compliance with the public benefits program.

8.21 Job Readiness Program. Developer and its grocery store tenant shall undertake a job readiness program, as described on Exhibit O, to work with the City, through the Mayor's Office of Workforce Development, to participate in job training programs to provide job applicants for the jobs created through the Project.

8.22 Recovery of TIF Funding Upon Triggering Event.

(a) The City Funds provided to the Developer pursuant to this Agreement are conditioned expressly on the Developer's compliance with the requirements of this Agreement. If, without prior written approval by the City, the Developer or any Affiliate i) sells or refinances, or enters into written agreements to sell or refinance, any or all of the Property or the Facility, except for a sale to an Affiliate; ii) changes or causes changes to the uses of the Facility from the initial uses as approved by DPD; iii) fails to maintain operations, or to cause such operations to be maintained, within the City of Chicago at the Jewel grocery store and Osco drugstore on the Property; or iv) fails to create or maintain 115 full-time equivalent, permanent jobs (each, or in combination, a "Triggering Event"), then the payment to the Developer of any unpaid City Funds shall cease immediately and all or a portion of the City Funds that have been paid to Developer shall be promptly paid as a penalty to the City by the Developer, pursuant to the following schedule:

For the first five years following the date of the certificate of occupancy for the Jewel grocery store and Osco drugstore on the Property, 100%;

At any time after the first five years following the date of the certificate of occupancy for the Jewel grocery store and Osco drugstore on the Property, the difference that remains of the total amount of City Funds paid to the Developer less the product of the Annual Waiver Amount (as defined below) times the number of years and fractional years measured from the Closing Date to the date of the Triggering Event.

The City may waive repayment/recapture of such funds if, in the discretion of the Chief Financial Officer of the City or the Commissioner (or designees thereof), the receipt of the such funds may adversely affect the exemption from gross income of interest on the TIF Bonds.

(b) The Annual Waiver Amount is the quotient of the total amount of the City Funds (\$5.6 million) divided by the number of years and fractional years of the Term of the Agreement.

(c) As examples of the above calculation, assume that the Closing Date is June 28, 2000, so that the Term of the Agreement is 13 and 5/12ths years (13.42 years), and the date of the certificate of occupancy for the Jewel grocery store and Osco drugstore on the Property is May 28, 2001; thus, the date that is five years thereafter is May 28, 2006.

First Example: Assume that the Developer sells its entire interest in the Facility to an Affiliate on April 28, 2002 without seeking the consent of the City. This sale is not a Triggering Event.

Second Example: Assume that the Affiliate from the First Example sells its entire interest in the Facility to a non-Affiliate on April 28, 2004 without receiving the prior written consent of the City. This sale is a Triggering Event. Assume that the Developer has received total City Funds in the amount of \$3.5 million and the Affiliate was about to receive additional City Funds (pursuant to Section 18.15 herein and the City's consent) in the amount of \$250,000. The City shall not pay either the Developer or the Affiliate any

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additional City Funds, and the Developer or the Affiliate shall promptly repay to the City all \$3.5 million.

Third Example: Assume that a Triggering Event occurs on April 28, 2007 and that the Developer has received total City Funds in the amount of \$4.0 million. The Annual Waiver Amount is \$5,600,000 divided by 13.42 years (the Term of the Agreement), which is \$417,288. The number of years and fractional years from the Closing Date (e.g., June 28, 2000) to the Triggering Event date is 6.83 (six and 10/12ths years). The Developer shall promptly repay to the City \$1,149,923 (which is the \$4.0 million received minus \$2,850,077 (which is the product of 6.83 times the Annual Waiver Amount of \$417,288)).

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

8.24 Rehabilitation of the CTA Green Line Station. The Developer acknowledges that, pursuant to the terms and conditions of that Business Planned Development approved for the Property as provided in Section 3.02, it shall contribute to the CTA the sum of \$100,000 for the rehabilitation of the Roosevelt Road Green Line Station.

## SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

## SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. The Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property (collectively, with the Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this

Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

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

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

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



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

**10.02 City Resident Construction Worker Employment Requirement.** The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree that during the construction of the Project they shall comply, in the aggregate, 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 Purchasing Agent of the City.

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

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

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

The Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Purchasing Agent, 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 Purchasing Agent) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

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

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

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

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

a. Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE" Program"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget shall be expended for contract participation by MBEs or WBEs:

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

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

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

d. 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 shall have 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,

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Municipal Code of Chicago.

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

g. 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. 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 Developer hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, the Bond Ordinance and the Redevelopment Plan. Developer represents and warrants to undertake and complete the remediation of the Property required in the April 23, 1999 Memorandum from the City Department of Environment to the DPD.

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from all or any portion of the Property, (ii) any liens against the Property that are permitted or imposed by any Environmental Laws, or (iii) any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property; provided, however, that with respect to (a) the City Parcels and (b) the Developer Parcel



presently consisting of public right of way, the conditions referred to in subsections (i), (ii) and (iii) herein shall only apply after the Closing Date hereof; and provided, also, that this Section 11 shall not apply with respect to the Licensed Property (unless the loss or claim is caused by the Developer) or to actions or omissions arising from the negligence or willful misconduct of the City.

## SECTION 12. INSURANCE

The Developer shall provide and maintain, or cause to be provided, at the Developer's own expense, during the term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.<sup>1</sup>

(a) Prior to Execution and Delivery of this Agreement

(i) Workers Compensation and Employers Liability Insurance

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

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

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

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service

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<sup>1</sup> The insurance coverage required of Developer may contain the following elements, provided that the required coverage is not diminished, the required limits are not reduced and the elements thereof are otherwise commercially reasonable: blanket, layered, umbrella, conventional or manuscripted policies; retention levels and loss reserves which are charged against Developer's earnings or otherwise funded; and commercially reasonable deductibles.

under this Agreement and Employers Liability coverage with limits of not less than \$500,000 each accident or illness.

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

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

(iii) Automobile Liability Insurance (Primary and Umbrella)

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

(iv) Railroad Protective Liability Insurance

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

(v) Builders Risk Insurance

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

(vi) Professional Liability

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

(vii) Valuable Papers Insurance

[deleted]

(viii) Contractor's Pollution Liability

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

- (c) Prior to the execution and delivery of this Agreement and during construction: All Risk Property Insurance in the amount of the full replacement value of the Project.
- (d) Post-construction, and throughout the remaining Term of the Agreement: All Risk Property Insurance on the Property, including improvements and betterments thereon, in the amount of the full replacement value of the Project. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City shall be named as an additional insured.
- (e) 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 Developer shall submit evidence of insurance prior to execution of the Agreement. The receipt of any certificate does

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

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

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

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

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

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

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

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

If the Developer, General Contractor or any subcontractor desires additional coverages, the Developer, Contractor and each 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, without the consent of the Developer for any modification or deletion which would not increase such requirements, in connection with insurable hazards that are at the time commonly insured against in agreements of this type.

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## SECTION 13. INDEMNIFICATION

The Developer agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement, or (iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or its agents, employees, contractors or persons acting under the control or at the request of the Developer, or (iv) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto.

## SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

14.02 Inspection Rights. Upon five (5) business days' notice, any authorized representative of the City shall have 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



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related agreement, including, but not limited to, the failure of the Developer to promptly repay City Funds following the occurrence of a Triggering Event as set forth in Section 8.22 herein;

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

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

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

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

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

(g) the entry of any judgment or order against the Developer which affects or would affect the ability of the Developer to perform its obligations under this Agreement and 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 any loan to Developer from an Affiliate that would affect Developer's ability to perform under this Agreement, 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).

For purposes of Section 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of thirty-three percent (33%) of the Developer's issued and outstanding shares of stock.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may:

(a) terminate this Agreement and all related agreements, and suspend disbursement of City Funds;

(b) solely for Developer's failure to comply with Section 8.02, reenter and take possession of the City Parcels, terminate the estate conveyed to the Developer and, pursuant to and subject to the provisions of Section 7.03(d) herein (including the expiration provision set forth therein), reconvey title to the City Parcels in the City. The City may also, in its sole discretion, terminate the Developer's right of title and all other rights and interests in and to the City Parcels conveyed by the Deed to the Developer pursuant to Section 3.13 hereof, such that the title and all rights and interests of the Developer in the City Parcels shall revert to the City. Upon such reconveyance, the City shall employ its best efforts to convey the City Parcels to a qualified and financially responsible party (as solely determined by the City) who shall assume the obligation of completing the City Parcels portion of the Project or, in the alternative, the City, at its sole option, may elect to retain the City Parcels. Within a reasonable period of time after 1) the reconveyance to another party and the City's receipt of the proceeds of such sale, or 2) the City's election to retain the City Parcels, but in any event not later than two years after the reconveyance to the City of the City Parcels, the City shall reimburse to the Developer the entire price the Developer paid the City for the City Parcels, less the following:

- i. reasonable costs and expenses, including but not limited to, salaries of personnel retained in connection with the recapture, management and resale of the City Parcels (less any income derived by the City from the City Parcels in connection with such management;
- ii. all taxes, assessments, and water and sewer charges assessed against the City Parcels;
- iii. any payments made (including reasonable attorneys' fees) to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to the obligations, defaults or acts of the Developer;
- iv. any expenditures made or obligations incurred with respect to construction or maintenance of the Project; and

v. any other amounts owed to the City by the Developer under the terms and conditions of this Agreement.

(c) in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any other available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein, provided, however, that for an Event of Default arising in connection with the provisions of Section 8.06 herein, the sole remedy is Section 8.22.

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

## SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Purchased Properties or any portion thereof are listed on Exhibit G hereto 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 Purchased Properties or any portion thereof is referred to herein as a "New Mortgage." Any mortgage or deed of trust that the Developer may hereafter elect to execute and record or permit to be recorded against the Purchased Properties or any portion thereof with the prior written consent of the City is referred to herein as a "Permitted Mortgage." It is hereby agreed by and between the City and the Developer as follows:

(a) During the Term of this Agreement, the Developer may procure a New Mortgage or more than one New Mortgage provided that the total sum of the principal amounts thereof shall not exceed 82% of the value of the Purchased Properties as such value is determined by an appraisal conducted on behalf of the Developer's lender(s).

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(b) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Purchased Properties or any portion thereof pursuant to the exercise of remedies under a mortgage or deed of trust (other than an Existing Mortgage or a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City 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.

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

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

## SECTION 17. NOTICE

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

If to the City: City of Chicago  
Department of Planning and Development  
121 North LaSalle Street, Room 1000  
Chicago, IL 60602  
Attention: Commissioner  
fax: 312-742-6087

With Copies To: City of Chicago  
Department of Law  
Finance and Economic Development Division  
121 North LaSalle Street, Room 600  
Chicago, IL 60602  
fax: 312-744-8538

If to the Developer: American Stores Properties, Inc.  
1955 W. North Ave.  
Melrose Park, IL 60160  
Attention: Real Estate  
fax: 708-786-3028

With Copies To: Real Estate Legal Department  
American Stores Properties, Inc.  
c/o Albertson's, Inc.  
250 Park Center Boulevard  
Boise, ID 83706  
fax: 208-395-6575

Michael J. Martin, Esq.  
Burke, Warren, MacKay & Seritella, P.C.  
330 N. Wabash - 22d Floor  
Chicago, IL 60611  
fax: 312-840-7900

Langdon D. Neal, Esq.  
Earl L. Neal & Associates LLC  
111 W. Washington - Ste 1700  
Chicago, Illinois 60602  
fax: 312-641-5137

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



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

## SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibit D hereto without the consent of any party hereto.

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 supercedes 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.

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

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

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

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

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

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

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

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

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

18.15 Assignment. For the Term of this Agreement, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the prior written consent of the City except to an Affiliate. Notwithstanding the issuance of a Certificate, any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Section 8.19 and Section 8.20 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).

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, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures, tornadoes or cyclones, and other

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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, give written notice to the other parties to this Agreement within one week of occurrence. 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 No Business Relationship with City Elected Officials. Pursuant to Section 2-156-030(b) of the Municipal Code of Chicago, 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 official 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. Violation of Section 2-156-030(b) by any elected official, or any person acting at the direction of such official, with respect to this Agreement, or in connection with the transactions contemplated thereby, shall be grounds for termination of this Agreement and the transactions contemplated thereby. 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 thereby.

18.21 Survival of Agreements. Except as otherwise contemplated by this Agreement, all covenants and agreements of the parties contained in this Agreement will survive the consummation of the transactions contemplated hereby.

18.22 Equitable Relief. In addition to any other available remedy provided for hereunder, at law or in equity, to the extent that a party fails to comply with the terms of this Agreement, any of the other parties hereto shall be entitled to injunctive relief with respect thereto, without the necessity of posting a bond or other security, the damages for such breach hereby being acknowledged as unascertainable.

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

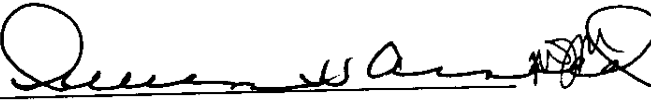
18.24 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses, including attorneys' fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject to any limits under applicable law, attorneys' fees and legal expenses, whether or not there is a lawsuit, including attorneys' 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 shall pay any court costs, in addition to all other sums provided by law.

18.25 Provisions Not Merged with Deed. The provisions of this Agreement shall not be merged with the Deed to the City Parcels, and the delivery of the Deed shall not be deemed to affect or impair the provisions of this Agreement.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

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

AMERICAN STORES PROPERTIES, INC.

By: 

Its: WILLIAM H. ARNOLD  
VICE PRESIDENT

CITY OF CHICAGO

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

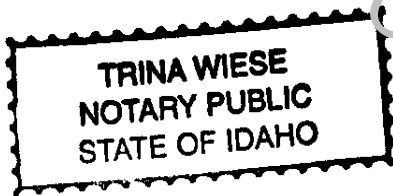
Property of Cook County Clerk's Office



Idaho  
STATE OF ILLINOIS )  
Ada ) SS  
COUNTY OF COOK )

I, TRINA Wiese, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that William H. Arnold personally known to me to be the Vice President of American Stores Properties a Delaware corporation (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Board of Directors of the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 18<sup>th</sup> day of July, 2000.



Trina Wiese  
Notary Public

My Commission Expires 1/28/04

(SEAL)

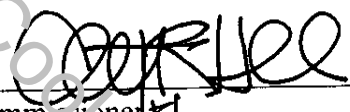
IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

**AMERICAN STORES PROPERTIES, INC.**

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

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

**CITY OF CHICAGO**

By:   
Commissioner  
Department of Planning and Development

Property of Cook County Clerk's Office



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EXHIBIT A

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The boundaries of the Near South Redevelopment Project Area (hereinafter referred to as the "Redevelopment Project Area") have been carefully drawn to include only those contiguous parcels of real property and improvements thereon substantially benefitted by the proposed redevelopment project improvements to be undertaken as part of this Redevelopment Plan. The boundaries are more specifically shown in Figure 1, Boundary Map, and more particularly described as follows:

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

BEGINNING ON THE WEST LINE OF SOUTH MICHIGAN AVENUE, AT THE INTERSECTION OF SAID LINE WITH THE NORTH LINE OF EAST 11TH STREET, AND RUNNING;

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

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

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

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

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

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

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

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

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

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

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

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

THENCE WEST ALONG SAID SOUTH LINE OF EAST 14TH STREET, A DISTANCE OF 441.00 FEET, MORE OR LESS, TO THE WEST LINE OF SOUTH MICHIGAN AVENUE;

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

**Amendment - April 1994**

Section 2, Redevelopment Project Area Description, is amended to include the following legal description of the Amended Area:

A TRACT OF LAND COMPRISED OF A PART OF EACH OF SECTIONS 15, 16, 21, AND 22, ALL IN TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN THE CITY



OF CHICAGO, COOK COUNTY, ILLINOIS WHICH TRACT OF LAND IS BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF SOUTH MICHIGAN AVENUE WITH THE NORTH LINE OF EAST 11TH STREET BEING ALSO THE SOUTHEAST CORNER OF BLOCK 20 IN THE FRACTIONAL SECTION 15 ADDITION TO CHICAGO AND RUNNING;

THENCE EAST ALONG THE EASTWARD EXTENSION OF SAID NORTH LINE OF EAST 11TH STREET A DISTANCE OF 130.00 FEET, MORE OR LESS, TO THE EAST LINE OF SOUTH MICHIGAN AVENUE AS IMPROVED AND OCCUPIED;

THENCE NORTH ALONG SAID EAST LINE OF SOUTH MICHIGAN AVENUE TO AN INTERSECTION WITH THE EASTWARD EXTENSION OF THE NORTH LINE OF EAST 8TH STREET;

THENCE WEST ALONG SAID EASTWARD EXTENSION AND ALONG THE NORTH LINE OF EAST 8TH STREET TO AN INTERSECTION WITH THE EAST LINE OF SOUTH WABASH AVENUE;

THENCE NORTH ALONG SAID EAST LINE OF SOUTH WABASH AVENUE TO AN INTERSECTION WITH THE SOUTH LINE OF EAST BALBO STREET;

THENCE EAST ALONG SAID SOUTH LINE OF EAST BALBO STREET AND ALONG THE EASTWARD EXTENSION THEREOF TO AN INTERSECTION WITH SAID EAST LINE OF SOUTH MICHIGAN AVENUE;

THENCE NORTH ALONG THE EAST LINE OF SOUTH MICHIGAN AVENUE AND ALONG THE NORTHWARD EXTENSION OF SAID EAST LINE TO AN INTERSECTION WITH THE EASTWARD EXTENSION OF THE NORTH LINE OF EAST CONGRESS PARKWAY;

THENCE WEST ALONG SAID EASTWARD EXTENSION AND ALONG THE NORTH LINE OF SAID EAST CONGRESS PARKWAY TO THE INTERSECTION WITH THE EAST LINE OF SOUTH STATE STREET;

THENCE WEST ALONG A STRAIGHT LINE TO AN INTERSECTION WITH THE WEST LINE OF SOUTH STATE STREET AND THE NORTH LINE OF WEST CONGRESS PARKWAY;

THENCE WEST ALONG THE NORTH LINE OF WEST CONGRESS PARKWAY TO AN INTERSECTION WITH THE NORTHWARD EXTENSION OF THE WEST LINE OF SOUTH PLYMOUTH COURT;

THENCE SOUTH ALONG SAID NORTHWARD EXTENSION AND ALONG THE WEST LINE OF SOUTH PLYMOUTH COURT TO AN INTERSECTION WITH THE WESTWARD EXTENSION OF THE SOUTH LINE OF LOT 8 IN C.L.&I. HARMON'S SUBDIVISION OF

BLOCK 137 OF SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, AFORESAID;

THENCE EAST ALONG SAID WESTWARD EXTENSION AND ALONG THE SOUTH LINE OF SAID LOT 8 TO AN INTERSECTION WITH THE WEST LINE OF THE PUBLIC ALLEY, 12 FEET WIDE AS OPENED BY THE CITY COUNCIL PROCEEDINGS IN SAID BLOCK 137;

THENCE SOUTH ALONG THE WEST LINE OF SAID PUBLIC ALLEY AND THE SOUTHWARD EXTENSION THEREOF TO AN INTERSECTION WITH THE SOUTH LINE OF WEST HARRISON STREET;

THENCE EAST ALONG THE SOUTH LINE OF THE WEST HARRISON STREET TO AN INTERSECTION WITH THE WEST LINE OF SOUTH STATE STREET, SAID INTERSECTION BEING ALSO THE NORTHEAST CORNER OF LOT 1 IN THE SUBDIVISION OF BLOCK 136 OF SAID SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16;

THENCE SOUTH ALONG SAID WEST LINE OF SAID STATE STREET TO AN INTERSECTION WITH THE WESTWARD EXTENSION OF THE SOUTH LINE OF SUBLOT 2 OF LOT 3 IN BLOCK 15 IN CANAL TRUSTEES SUBDIVISION OF LOTS IN FRACTIONAL SECTION 15 ADDITION TO CHICAGO;

THENCE EAST ALONG SAID WESTWARD EXTENSION AND ALONG SAID SOUTH LINE OF SUBLOT 2 TO AN INTERSECTION WITH THE WEST LINE OF THE STRIP OF LAND, 30 FEET WIDE, WHICH RUNS NORTH AND SOUTH THROUGH SAID BLOCK 15;

THENCE SOUTH ALONG SAID WEST LINE OF THE STRIP OF LAND, 30 FEET WIDE, TO AN INTERSECTION WITH THE NORTH LINE OF EAST 8TH STREET;

THENCE WEST ALONG THE NORTH LINE OF EAST 8TH STREET AND ALONG THE WESTWARD EXTENSION THEREOF TO AN INTERSECTION WITH THE WEST LINE OF SOUTH STATE STREET;

THENCE SOUTH ALONG THE WEST LINE OF SOUTH STATE STREET TO AN INTERSECTION WITH THE WESTWARD EXTENSION OF THE SOUTH LINE OF EAST 21ST STREET;

THENCE EAST ALONG SAID WESTWARD EXTENSION AND ALONG SAID SOUTH LINE OF EAST 21ST STREET TO THE NORTHWEST CORNER OF LOT 1 IN BLOCK 28 IN CURLEY'S SUBDIVISION OF BLOCK 28 OF THE ASSESSOR'S DIVISION OF THE SOUTHWEST FRACTIONAL QUARTER OF SAID SECTION 22;

THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 1 AND THE WEST LINE OF LOT 2 IN SAID BLOCK 28 IN CURLEY'S SUBDIVISION TO THE NORTHWEST CORNER OF THE SOUTH 25 FEET OF SAID LOT 2;

THENCE EAST ALONG THE NORTH LINE AND THE NORTH LINE EXTENDED EAST OF SAID SOUTH 25 FEET OF LOT 2 OF THE EAST LINE OF SOUTH WABASH AVENUE

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(SAID EAST LINE OF SOUTH WABASH AVENUE BEING THE WEST LINE OF BLOCK 27 IN CURLEY'S SUBDIVISION AFORESAID);

THENCE NORTH ALONG SAID EAST LINE OF SOUTH WABASH AVENUE TO THE NORTH LINE OF THE SOUTH 30 FEET OF LOT 19 IN SAID BLOCK 27;

THENCE EAST ALONG THE NORTH LINE AND THE NORTH LINE EXTENDED EAST OF SAID SOUTH 30 FEET OF LOT 19 TO THE CENTERLINE OF THE NORTH AND SOUTH PUBLIC ALLEY, 12 FEET WIDE, LYING EAST OF AND ADJOINING SAID LOT 19;

THENCE SOUTH ALONG SAID NORTH AND SOUTH CENTERLINE TO THE CENTERLINE EXTENDED WEST OF THE EAST AND WEST 25.8 FEET WIDE PUBLIC ALLEY;

THENCE EAST ALONG SAID WESTWARD EXTENSION AND ALONG SAID CENTERLINE OF THE EAST AND WEST 25.8 FEET WIDE PUBLIC ALLEY, AND ALSO ALONG THE EASTWARD EXTENSION THEREOF, TO THE WEST LINE OF LOT 5 IN SAID BLOCK 27;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 5 TO THE NORTHWEST CORNER OF LOT 6 IN SAID BLOCK 27;

THENCE EAST ALONG THE NORTH LINE OF LOT 6 IN SAID BLOCK 27 AND ALONG SAID NORTH LINE EXTENDED EAST TO THE EAST LINE OF SOUTH MICHIGAN AVENUE (SAID EAST LINE OF SOUTH MICHIGAN AVENUE BEING ALSO THE WEST LINE OF BLOCK 26 IN SAID CURLEY'S SUBDIVISION);

THENCE SOUTH ALONG THE EAST LINE OF SOUTH MICHIGAN AVENUE TO THE NORTH LINE OF THE SOUTH 25 FEET OF LOT 12 IN SAID BLOCK 26;

THENCE EAST ALONG THE NORTH LINE AND SAID NORTH LINE EXTENDED EAST OF THE SOUTH 25 FEET OF LOT 12 TO THE CENTERLINE OF THE NORTH AND SOUTH PUBLIC ALLEY, 18 FEET WIDE IN SAID BLOCK 26;

THENCE NORTH ALONG SAID CENTERLINE TO THE WESTWARD EXTENSION OF THE NORTH LINE OF LOT 3 IN SAID BLOCK 26;

THENCE EAST ALONG SAID WESTWARD EXTENSION AND ALONG THE NORTH LINE OF SAID LOT 3 AND ALSO ALONG THE EASTWARD EXTENSION THEREOF, TO THE EAST LINE OF SOUTH INDIANA AVENUE (SAID EAST LINE OF SOUTH INDIANA AVENUE BEING ALSO THE WEST LINE OF BLOCK 25 IN SAID CURLEY'S SUBDIVISION);

THENCE NORTH ALONG SAID EAST LINE OF SOUTH INDIANA TO THE NORTH LINE OF THE SOUTH 10 FEET OF LOT 17 IN BLOCK 25 IN SAID CURLEY'S SUBDIVISION;

THENCE EAST LONG SAID NORTH LINE OF THE SOUTH 10 FEET OF LOT 17 AND ALONG THE EASTWARD EXTENSION THEREOF TO THE EAST LINE OF THE NORTH AND SOUTH PUBLIC ALLEY, 18 FEET WIDE IN SAID BLOCK 25;

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THENCE SOUTH ALONG SAID EAST LINE TO THE NORTH LINE OF THE SOUTH 24.8 FEET OF LOT 3 IN SAID BLOCK 25;

THENCE EAST ALONG SAID NORTH LINE OF THE SOUTH 24.8 FEET OF LOT 3 AND ALONG THE EASTWARD EXTENSION THEREOF TO THE EAST LINE OF SOUTH PRAIRIE AVENUE (SAID EAST LINE OF SOUTH PRAIRIE AVENUE BEING THE WEST LINE OF BLOCK 24 IN CURLEY'S SUBDIVISION, AFORESAID);

THENCE NORTH ALONG SAID EAST LINE OF SOUTH PRAIRIE AVENUE TO THE SOUTH LINE OF EAST 21ST STREET;

THENCE EAST ALONG THE SOUTH LINE OF EAST 21ST STREET AND ALONG THE EASTWARD EXTENSION THEREOF TO AN INTERSECTION WITH THE EAST LINE OF SOUTH CALUMET AVENUE;

THENCE NORTH ALONG SAID EAST LINE OF SOUTH CALUMET AVENUE TO AN INTERSECTION WITH THE ORIGINAL WESTERLY RIGHT-OF-WAY LINE OF THE ILLINOIS CENTRAL RAILROAD;

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

THENCE WEST ALONG THE NORTH LINE OF SAID LOT 1, AND ALONG SAID NORTH LINE EXTENDED WEST, A DISTANCE OF 186.00 FEET, MORE OR LESS, TO THE WEST LINE OF SOUTH PRAIRIE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH PRAIRIE AVENUE, A DISTANCE OF 84.00 FEET MORE OR LESS, TO THE SOUTHEAST CORNER OF LOT 5 IN ASSESSOR'S DIVISION OF LOTS 1, 2 AND 3 IN BLOCK 1 OF CLARKE'S ADDITION TO CHICAGO AFORESAID;

THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 5 A DISTANCE OF 177 FEET, MORE OR LESS, TO THE POINT OF INTERSECTION WITH A LINE WHICH IS THE EAST LINE OF A 20.00 FOOT WIDE ALLEY;

THENCE NORTH ALONG SAID EAST LINE OF SAID ALLEY, A DISTANCE OF 92.00 FEET, MORE OR LESS, TO THE SOUTH LINE OF EAST 16TH STREET;

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

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

THENCE WEST ALONG SAID SOUTH LINE OF EAST 14TH STREET, A DISTANCE OF 441.00 FEET, MORE OR LESS, TO THE WEST LINE OF SOUTH MICHIGAN AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH MICHIGAN AVENUE A DISTANCE OF 1459.00 FEET, MORE OR LESS, TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTH 10.00 FEET OF SUBLOT 1 OF LOT 12 IN BLOCK 21 IN CANAL TRUSTEE'S SUBDIVISION OF LOTS IN FRACTIONAL SECTION 15 ADDITION TO CHICAGO;

THENCE WEST ALONG SAID NORTH LINE OF THE SOUTH 10.00 FEET OF SUBLOT 1, A DISTANCE OF 171.00 FEET, MORE OR LESS, TO THE EAST LINE OF THE PUBLIC ALLEY, 20.00 FEET WIDE, IN SAID BLOCK 21;

THENCE NORTH ALONG SAID EAST LINE, A DISTANCE OF 350.00 FEET, MORE OR LESS TO THE SOUTH LINE OF ORIGINAL LOT 1 IN BLOCK 21 IN THE FRACTIONAL SECTION 15 ADDITION TO CHICAGO;

THENCE EAST ALONG SAID SOUTH LINE, A DISTANCE OF 171.00 FEET, MORE OR LESS, TO THE WEST LINE OF SOUTH MICHIGAN AVENUE;

THENCE NORTH ALONG SAID WEST LINE AND THE NORTHWARD EXTENSION THEREOF, A DISTANCE OF 146.00 FEET MORE OR LESS, TO THE POINT OF BEGINNING.

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OWNER'S POLICY (1992)  
SCHEDULE A (CONTINUED)

POLICY NO.: 1401 007768615 D1

5. THE LAND REFERRED TO IN THIS POLICY IS DESCRIBED AS FOLLOWS:

PARCEL 1:

00542849

LOTS 2 AND 3 (EXCEPT THE EAST 10 FEET AND EXCEPT THE WEST 27 FEET OF SAID LOTS) IN THE WEST 1/2 OF BLOCK 4 IN SEAMAN'S SUB OF BLOCK 5 OF THE WEST 1/2 OF BLOCK 4 & THE WEST 148 FEET OF BLOCK 6 IN THE ASSESSOR'S DIVISION OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

00542849

PARCEL 2:

LOT 4 (EXCEPT THE NORTH 51 1/2 FEET THEREOF) AND THE NORTH 25 FEET OF LOT 5 IN THE ASSESSORS DIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST HALF OF BLOCK 4 IN THE ASSESSORS DIVISION OF THE NORTH WEST FRACTIONAL QUARTER OF SECT 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS., (EXCEPTING FROM SAID PREMISES THAT PART THEREOF CONVEYED TO THE CHICAGO AND SOUTH SIDE RAPID TRANSIT RAILROAD COMPANY) IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THE SOUTH 25 FEET OF LOT 5 (EXCEPT THE WEST 25 FEET THEREOF) IN ASSESSOR'S SUBDIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST 1/2 OF BLOCK 4 OF ASSESSOR'S DIVISION OF THE NORTHWEST FRACTIONAL 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

LOTS 6 AND 7 (EXCEPT THE WEST 25 FEET OF EACH OF SAID LOTS) IN ASSESSOR'S DIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST 1/2 OF BLOCK 4 IN ASSESSORS DIVISION OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 5:

LOT 7 (EXCEPT WEST 25 FEET THEREOF) IN ASSESSOR'S DIVISION OF THE EAST 1/2 OF BLOCK 3 AND THE NORTH 7 FEET OF THE EAST 1/2 OF BLOCK 4 IN THE ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

THIS POLICY VALID ONLY IF SCHEDULE B IS ATTACHED.

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OWNER'S POLICY (1992)  
SCHEDULE A (CONTINUED)

POLICY NO.: 1401 007768613 01

5. THE LAND REFERRED TO IN THIS POLICY IS DESCRIBED AS FOLLOWS:

THE NORTH 51.5 FEET OF LOT 4 (EXCEPT THE WEST 25 FEET OF SAID PREMISES TAKEN FOR ELEVATED RAILROAD) IN THE ASSESSORS DIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST 1/2 OF BLOCK 4 IN THE ASSESSORS DIVISION OF THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

P.I.Ns:

17-22-100-015 thru 024, inclusive

17-22-100-031

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**CHICAGO TITLE INSURANCE COMPANY**

**OWNER'S POLICY (1992)**

**SCHEDULE A (CONTINUED)**

00542849

POLICY NO.: 1401 007768614 D1

5. THE LAND REFERRED TO IN THIS POLICY IS DESCRIBED AS FOLLOWS:

LOTS 1, 2 AND 3 (EXCEPT THE WEST 25 FEET OF SAID PREMISES TAKEN FOR ELEVATED RAILROAD) IN THE ASSESSORS DIVISION OF THE EAST 1/2 OF BLOCK 4 IN THE ASSESSORS DIVISION OF THE NORTHWEST FRACTIONAL 1/4 SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

17-22-100-016-014  
034-035

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P.I.N.

17-22-100-010 thru 014

17-22-100-034 thru 035

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 COMMITMENT FOR TITLE INSURANCE  
 SCHEDULE A (CONTINUED)

CITY PARCELS  
EXHIBIT B-2

ORDER NO.: 1401 007768604 D1

5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS:

00542849

PARCEL 1:

THE WEST 1/2 OF BLOCK 3 IN ASSESSORS DIVISION OF PART OF THE NORTHWEST FRACTIONAL 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, (EXCEPTING FROM SAID PARCEL THAT PART DESCRIBED AS FOLLOWS:

THAT PART FALLING WITHIN 12 TH STREET (ALSO KNOWN AS ROOSEVELT ROAD)

PARCEL 2:

LOT 1 IN SEAMANS SUBDIVISION OF BLOCK 5 OF THE WEST HALF OF BLOCK 4 AND THE WEST 148 FEET OF BLOCK 6 OF ASSESSORS DIVISION OF PART OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN

PARCEL 3: INTENTIONALLY DELETED

PARCEL 4:

LOT 2 (EXCEPT THE WEST 30 FEET THEREOF AND EXCEPT THAT PART CONDEMNED FOR WIDENING 12TH STREET) IN ASSESSOR'S DIVISION OF THE EAST 1/2 OF BLOCK 3 WITH THE NORTH 7 FEET OF THE EAST 1/2 OF BLOCK 4 IN ASSESSOR'S DIVISION OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN

ALSO

LOT 3 (EXCEPT THAT PART THEREOF FALLING IN ALLEY AND EXCEPT THAT PART THEREOF FALLING IN THE RIGHT OF WAY OF THE CHICAGO TRANSIT AUTHORITY) IN ASSESSOR'S DIVISION OF THE EAST 1/2 OF BLOCK 3 WITH THE NORTH 7 FEET OF THE EAST 1/2 OF BLOCK 4 IN ASSESSOR'S DIVISION OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY ILLINOIS.

PARCEL 5:

LOTS 4 AND 5, (EXCEPT THE WEST 32 FEET THEREOF) AND LOT 6, (EXCEPT THE WEST 25 FEET THEREOF) IN ASSESSOR'S DIVISION OF THE EAST 1/2 OF BLOCK 3 AND THE NORTH 7 FEET OF THE EAST 1/2 OF BLOCK 4 IN ASSESSOR'S DIVISION OF PART OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

<u>Line Item</u>	<u>Cost</u>
Private Land Acquisition Costs	\$3,600,000
Construction-Related Costs:	\$2,000,000
Demolition	
Site Preparation	
Environmental Remediation	
Public Improvements	
TOTAL	\$5,600,000

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## EXHIBIT G

### Roosevelt & Wabash - City of Chicago Parcels

#### PARCEL 1:

THE WEST 1/2 OF BLOCK 3 IN ASSESSORS DIVISION OF PART OF THE NORTHWEST FRACTIONAL 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, (EXCEPTING FROM SAID PARCEL THAT PART DESCRIBED AS FOLLOWS:

THAT PART FALLING WITHIN 12 TH STREET (ALSO KNOWN AS ROOSEVELT ROAD)

#### PARCEL 2:

LOT 1 IN SEAMANS SUBDIVISION OF BLOCK 5 OF THE WEST HALF OF BLOCK 4 AND THE WEST 148 FEET OF BLOCK 6 OF ASSESSORS DIVISION OF PART OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN

PARCEL 3: INTENTIONALLY DELETED

#### PARCEL 4:

LOT 2 (EXCEPT THE WEST 30 FEET THEREOF AND EXCEPT THAT PART CONDEMNED FOR WIDENING 12TH STREET) IN ASSESSOR'S DIVISION OF THE EAST 1/2 OF BLOCK 3 WITH THE NORTH 7 FEET OF THE EAST 1/2 OF BLOCK 4 IN ASSESSOR'S DIVISION OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN

ALSO

LOT 3 (EXCEPT THAT PART THEREOF FALLING IN ALLEY AND EXCEPT THAT PART THEREOF FALLING IN THE RIGHT OF WAY OF THE CHICAGO TRANSIT AUTHORITY) IN ASSESSOR'S DIVISION OF THE EAST 1/2 OF BLOCK 3 WITH THE NORTH 7 FEET OF THE EAST 1/2 OF BLOCK 4 IN ASSESSOR'S DIVISION OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY ILLINOIS.

#### PARCEL 5:

LOTS 4 AND 5, (EXCEPT THE WEST 32 FEET THEREOF) AND LOT 6, (EXCEPT THE WEST 25 FEET THEREOF) IN ASSESSOR'S DIVISION OF THE EAST 1/2 OF BLOCK 3 AND THE NORTH 7 FEET OF THE EAST 1/2 OF BLOCK 4 IN ASSESSOR'S DIVISION OF PART OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

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## EXHIBIT G

Roosevelt & Wabash - City of Chicago Parcels

PARCEL 6:

THAT PART OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED BY COMMENCING AT THE INTERSECTION OF THE SOUTH LINE OF ROOSEVELT ROAD WITH THE EAST LINE OF STATE STREET; THENCE NORTH 89 DEGREES 46 MINUTES 51 SECONDS EAST ALONG SAID SOUTH LINE OF ROOSEVELT ROAD A DISTANCE OF 144.14 FEET TO A POINT ON THE WEST LINE A PUBLIC ALLEYWAY; THENCE SOUTH 00 DEGREES 07 MINUTES 46 SECONDS EAST ALONG SAID WEST LINE OF PUBLIC ALLEYWAY A DISTANCE OF 36.11 FEET TO THE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 52 MINUTES 15 SECONDS WEST A DISTANCE OF 19.92 FEET TO THE WEST LINE OF LANDS TAKEN FOR ELEVATED RAILROAD; THENCE SOUTH 00 DEGREES 07 MINUTES 46 SECONDS EAST ALONG SAID WEST LINE OF LANDS TAKEN FOR ELEVATED RAILROAD A DISTANCE OF 181.16 FEET; THENCE SOUTH 48 DEGREES 09 MINUTES 45 SECONDS WEST A DISTANCE OF 26.68 FEET TO A POINT ON SAID WEST LINE OF PUBLIC ALLEYWAY; THENCE NORTH 00 DEGREES 07 MINUTES 46 SECONDS WEST ALONG SAID WEST LINE A DISTANCE OF 198.92 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

### PERMITTED EXCEPTIONS

- 12. THE LAND LIES WITHIN THE BOUNDARIES OF A SPECIAL SERVICE AREA AS DISCLOSED BY ORDINANCE RECORDED AS DOCUMENT 91075841 AND IS SUBJECT TO ADDITIONAL TAXES UNDER THE TERMS OF SAID ORDINANCE AND SUBSEQUENT RELATED ORDINANCES. NOTE: WITH RESPECT TO SAME, NONE ARE DUE AND PAYABLE AT DATE OF POLICY
- 5. PARTY WALL AGREEMENT MADE BY THOMAS G. VICKERY AND OTHERS WITH MARY NODINE DATED JULY 20, 1891 AND RECORDED OCTOBER 30, 1891 AS DOCUMENT 1560727 FOR A PARTY WALL BETWEEN LOTS 2 AND 3 AND PART OF LOT 4 IN ASSessor'S SUBDIVISION OF NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.  
(AFFECTS PARCEL 4)
- 7. RIGHTS OF THE PUBLIC AND OF THE CITY OF CHICAGO IN AND TO THE EAST 10 FEET OF THE LAND TAKEN AND USED AS AN ALLEY BY ORDINANCE PASSED BY THE COMMON COUNCIL OF THE CITY OF CHICAGO AND APPROVED ON AUGUST 22, 1865  
(AFFECTS PARCELS 1 AND 2)

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## EXHIBIT G

1222 South Wabash and 1229 South State

PARCEL 1:

LOTS 2 AND 3 (EXCEPT THE EAST 10 FEET AND EXCEPT THE WEST 27 FEET OF SAID LOTS) IN THE WEST 1/2 OF BLOCK 4 IN SEAMAN'S SUB OF BLOCK 5 OF THE WEST 1/2 OF BLOCK 4 & THE WEST 148 FEET OF BLOCK 6 IN THE ASSESSOR'S DIVISION OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 2:

LOT 4 (EXCEPT THE NORTH 51 1/2 FEET THEREOF) AND THE NORTH 25 FEET OF LOT 5 IN THE ASSESSORS DIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST HALF OF BLOCK 4 IN THE ASSESSORS DIVISION OF THE NORTH WEST FRACTIONAL QUARTER OF SECT 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS., (EXCEPTING FROM SAID PREMISES THAT PART THEREOF CONVEYED TO THE CHICAGO AND SOUTH SIDE RAPID TRANSIT RAILROAD COMPANY) IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THE SOUTH 25 FEET OF LOT 5 (EXCEPT THE WEST 25 FEET THEREOF) IN ASSESSOR'S SUBDIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST 1/2 OF BLOCK 4 OF ASSESSOR'S DIVISION OF THE NORTHWEST FRACTIONAL 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

LOTS 6 AND 7 (EXCEPT THE WEST 25 FEET OF EACH OF SAID LOTS) IN ASSESSOR'S DIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST 1/2 OF BLOCK 4 IN ASSESSORS DIVISION OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY ILLINOIS

PARCEL 5:

LOT 7 (EXCEPT WEST 25 FEET THEREOF) IN ASSESSOR'S DIVISION OF THE EAST 1/2 OF BLOCK 3 AND THE NORTH 7 FEET OF THE EAST 1/2 OF BLOCK 4 IN THE ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

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## EXHIBIT G

1222 South Wabash and 1229 South State

### PERMITTED EXCEPTIONS

General Real Estate Taxes for 1999 and subsequent years

- AC
14. RIGHTS OF THE CHICAGO RAPID TRANSIT COMPANY IN AND TO RIGHT OF WAY OVER WEST PART OF ELEVATED RAILCARS OF THE LAND CONDEMNED FOR RIGHT OF WAY ON A PETITION OF THE CHICAGO SOUTH SIDE RAPID TRANSIT COMPANY FILED SEPTEMBER 19, 1888 IN CIRCUIT COURT OF COOK COUNTY, ILLINOIS AS CASE 68621

(AFFECTS PARCEL 5)

- B
15. THE LAND LIES WITHIN THE BOUNDARIES OF A SPECIAL SERVICE AREA AS DISCLOSED BY ORDINANCE RECORDED AS DOCUMENT 91075841, AND IS SUBJECT TO ADDITIONAL TAXES UNDER THE TERMS OF SAID ORDINANCE AND SUBSEQUENT RELATED ORDINANCES.

NOTE: NO TAX CONTEMPLATED BY SUCH ORDINANCE(S) HAS BEEN IMPOSED, ASSESSED OR LEVIED AS OF DECEMBER 27, 1999

- AZ
17. RIGHTS OF THE PUBLIC IN AND TO THE PLATFORM AREA LOCATED WEST OF THE CTA LINE AND ONTO THE EAST LINE OF THE PROPERTY IN QUESTION AS DEPICTED ON SURVEY MADE BY WEBSTER, MC GRATH & AHLBERG DATED FEBRUARY 12, 1999 AND LAST UPDATED 11-9-99 AS ORDER NUMBER 37988

AFFECTS PARCEL 1

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EXHIBIT G

1230 South Wabash

LOTS 1, 2 AND 3 (EXCEPT THE WEST 25 FEET OF SAID PREMISES TAKEN FOR ELEVATED RAILROAD) IN THE ASSESSORS DIVISION OF THE EAST 1/2 OF BLOCK 4 IN THE ASSESSORS DIVISION OF THE NORTHWEST FRACTIONAL 1/4 SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PERMITTED EXCEPTIONS

General Real Estate Taxes for 1999 and subsequent years.

- A 7. THE LAND LIES WITHIN THE BOUNDARIES OF A SPECIAL SERVICE AREA AS DISCLOSED BY ORDINANCE RECORDED AS DOCUMENT 91075841, AND IS SUBJECT TO ADDITIONAL TAXES UNDER THE TERMS OF SAID ORDINANCE AND SUBSEQUENT RELATED ORDINANCES. NOTE: NO TAX CONTEMPLATED BY SUCH ORDINANCE(S) HAS BEEN IMPOSED, ASSESSED OR LEVIED AS OF DECEMBER 1, 1999.



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## EXHIBIT G

1234 South Wabash

THE NORTH 51.5 FEET OF LOT 4 (EXCEPT THE WEST 25 FEET OF SAID PREMISES TAKEN FOR ELEVATED RAILROAD) IN THE ASSESSORS DIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST 1/2 OF BLOCK 4 IN THE ASSESSORS DIVISION OF THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

### PERMITTED EXCEPTIONS

- 5 7. THE LAND LIES WITHIN THE BOUNDARIES OF A SPECIAL SERVICE AREA AS DISCLOSED BY ORDINANCE RECORDED AS DOCUMENT 91075841, AND IS SUBJECT TO ADDITIONAL TAXES UNDER THE TERMS OF SAID ORDINANCE AND SUBSEQUENT RELATED ORDINANCES. NOTE:NOTE: NO TAX CONTEMPLATED BY SUCH ORDINANCE(S) HAS BEEN IMPOSED, ASSESSED OR LEVIED AS OF DECEMBER 21, 1999

General Real Estate Taxes for 1999 and subsequent years

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EXHIBIT G

1240-1260 South Wabash

PARCEL 1:

LOTS 2 AND 3 (EXCEPT THE EAST 10 FEET AND EXCEPT THE WEST 27 FEET OF SAID LOTS) IN THE WEST 1/2 OF BLOCK 4 IN SEAMAN'S SUB OF BLOCK 5 OF THE WEST 1/2 OF BLOCK 4 & THE WEST 148 FEET OF BLOCK 6 IN THE ASSESSOR'S DIVISION OF THE NORTHWEST FRACTIONAL QUARTER OF OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 2:

LOT 4 (EXCEPT THE NORTH 51 1/2 FEET THEREOF) AND THE NORTH 25 FEET OF LOT 5 IN THE ASSESSORS DIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST HALF OF BLOCK 4 IN THE ASSESSORS DIVISION OF THE NORTH WEST FRACTIONAL QUARTER OF SECT 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS., (EXCEPTING FROM SAID PREMISES THAT PART THEREOF CONVEYED TO THE CHICAGO AND SOUTH SIDE RAPID TRANSIT RAILROAD COMPANY) IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THE SOUTH 25 FEET OF LOT 5 (EXCEPT THE WEST 25 FEET THEREOF) IN ASSESSOR'S SUBDIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST 1/2 OF BLOCK 4 OF ASSESSOR'S DIVISION OF THE NORTHWEST FRACTIONAL 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

LOTS 6 AND 7 (EXCEPT THE WEST 25 FEET OF EACH OF SAID LOTS) IN ASSESSOR'S DIVISION (EXCEPT THE NORTH 7 FEET) OF THE EAST 1/2 OF BLOCK 4 IN ASSESSORS DIVISION OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 5:

LOT 7 (EXCEPT WEST 25 FEET THEREOF) IN ASSESSOR'S DIVISION OF THE EAST 1/2 OF BLOCK 3 AND THE NORTH 7 FEET OF THE EAST 1/2 OF BLOCK 4 IN THE ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

**UNOFFICIAL COPY**

EXHIBIT G

1240-1260 South Wabash

PERMITTED EXCEPTIONS

- AC 15. RIGHTS OF THE CHICAGO RAPID TRANSIT COMPANY IN AND TO RIGHT OF WAY OVER WEST PART OF ELEVATED RAILCARS OF THE LAND CONDEMNED FOR RIGHT OF WAY OF A PETITION OF THE CHICAGO SOUTH SIDE RAPID TRANSIT COMPANY FILED SEPTEMBER 19, 1888 IN CIRCUIT COURT OF COOK COUNTY, ILLINOIS AS CASE 68621 (AFFECTS PARCEL 5)
  
- AR 16. EASEMENT FOR ALLEY PURPOSES OVER THAT PART OF THE LAND AND THE PLOTTED ALLEY ADJOINING TO THE WEST TAKEN FOR ELEVATED RAILROAD RIGHT OF WAY AS REFERRED TO IN THE CONVEYANCE FROM JOSEPHINE DEXTER AND OTHERS TO THE <C&S.S.R.T.R.R. COMPANY, RECORDED JANUARY 20, 1892 AS DOCUMENT 1600192, AND AS DISCLOSED BY O.I.R.P.P. (AFFECTS PARCEL 5)
  
- Q 17. THE LAND LIES WITHIN THE BOUNDARIES OF A SPECIAL SERVICE AREA AS DISCLOSED BY ORDINANCE RECORDED AS DOCUMENT 91075841, AND IS SUBJECT TO ADDITIONAL TAXES UNDER THE TERMS OF SAID ORDINANCE AND SUBSEQUENT RELATED ORDINANCES.  
  
NOTE: NO TAX CONTEMPLATED BY SUCH ORDINANCE(S) HAS BEEN IMPOSED, ASSESSED OR LEVIED AS OF DECEMBER 21, 1999
  
- AZ 21. RIGHTS OF THE PUBLIC IN AND TO THE PLATFORM AREA LOCATED WEST OF THE CTA LINE AND ONTO THE EAST LINE OF THE PROPERTY IN QUESTION AS DEPICTED ON SURVEY MADE BY WEBSTER, MC GRATH & HUBBERG DATED FEBRUARY 12, 1999 AND LAST UPDATED 11-9-99 AS ORDER NUMBER 3798d

AFFECTS PARCEL 1

General Real Estate Taxes for 1999 and subsequent years

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## EXHIBIT G

Chicago Transit Authority - leasehold parcel

THAT PART OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:  
 COMMENCING AT THE INTERSECTION OF THE SOUTH LINE OF ROOSEVELT ROAD WITH THE EAST LINE OF STATE STREET; THENCE NORTH 89 DEGREES 46 MINUTES 51 SECONDS EAST ALONG SAID SOUTH LINE OF ROOSEVELT ROAD A DISTANCE OF 144.14 FEET TO A POINT ON THE WEST LINE OF A PUBLIC ALLEYWAY; THENCE SOUTH 00 DEGREES 07 MINUTES 46 SECONDS EAST ALONG SAID WEST LINE OF PUBLIC ALLEYWAY A DISTANCE OF 36.11 FEET TO THE POINT ON BEGINNING; THENCE NORTH 89 DEGREES 52 MINUTES 14 SECONDS EAST A DISTANCE OF 50.00 FEET TO A POINT ON THE EAST LINE OF LANDS TAKEN FOR ELEVATED RAILROAD; THENCE SOUTH 00 DEGREES 04 MINUTES 34 SECONDS EAST ALONG SAID EAST LINE A DISTANCE OF 11.00 FEET; THENCE SOUTH 88 DEGREES 12 MINUTES 46 SECONDS EAST ALONG SAID EAST LINE A DISTANCE OF 2.02 FEET; THENCE SOUTH 00 DEGREES 03 MINUTES 14 SECONDS EAST ALONG SAID LINE A DISTANCE OF 74.50 FEET; THENCE SOUTH 89 DEGREES 34 MINUTES 55 SECONDS WEST ALONG SAID EAST LINE A DISTANCE OF 6.99 FEET; THENCE SOUTH 00 DEGREES 07 MINUTES 46 SECONDS EAST ALONG SAID EAST LINE A DISTANCE OF 73.28 FEET; THENCE NORTH 48 DEGREES 09 MINUTES 45 SECONDS WEST A DISTANCE OF 60.17 FEET TO A POINT ON SAID WEST LINE OF PUBLIC ALLEYWAY; THENCE NORTH 00 DEGREES 07 MINUTES 46 SECONDS WEST ALONG SAID WEST LINE A DISTANCE OF 198.91 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PART FALLING WITHIN THE ALLEY, IN COOK COUNTY, ILLINOIS.

### PERMITTED EXCEPTIONS

- R 4. THE LAND LIES WITHIN THE BOUNDARIES OF A SPECIAL SERVICE AREA AS DISCLOSED BY ORDINANCE RECORDED AS DOCUMENT 91075841, AND IS SUBJECT TO ADDITIONAL TAXES UNDER THE TERMS OF SAID ORDINANCE AND SUBSEQUENT RELATED ORDINANCES.
- AB 5. NOTWITHSTANDING THE INSURING PROVISIONS OR ANY OTHER PROVISION CONTAINED HEREIN, THE COMPANY DOES NOT INSURE AGAINST LOSS OR DAMAGE CAUSED BY A LACK OF A RIGHT OF ACCESS TO AND FROM THE LAND.
- AC 14. EASEMENT AND RIGHT OF WAY OVER THAT PART OF THE LAND USED FOR ELEVATED RAILROAD RIGHT OF WAY AND APPURTENANCES THERETO.
- U 15. TERMS, PROVISIONS, CONDITIONS AND LIMITATIONS OF THE REDEVELOPMENT AGREEMENT RECORDED AS 91574409 AND THEREAFTER AMENDED BY FIRST AMENDMENT TO CENTRAL STATION REDEVELOPMENT AGREEMENT, A COPY OF WHICH WAS RECORDED DECEMBER 22, 1994 AS DOCUMENT 04071129

**UNOFFICIAL COPY**EXHIBIT M

00545849

**JEWEL OSCO / CITY OF CHICAGO  
PUBLIC BENEFITS PROGRAMS**

Having been located in the City of Chicago for 100 years, Jewel Osco has actively supported programs throughout the City and in many instances has established its own public benefits programs.

Jewel Osco has actively and enthusiastically served every community of which we are a part. For this particular store, Jewel Osco will:

1. Expand its high school mentoring program to include Dunbar and Jones commercial High Schools. This will be accomplished by actively recruiting and hiring students from these high schools, thus enabling them to become eligible for the Jewel Osco Scholarship Awards Program. Scholarships are awarded to Jewel Osco employees who are attending a 4-year or 2-year college. Award criteria are: 1) Jewel job performance, 2) Community involvement, 3) Academic achievement at school, and 4) School involvement and leadership. In addition, winners of these scholarships can become full-time paid Interns as a prelude to a formal Management Training Program at Jewel Osco.

As a Jewel Osco Intern, these young people would learn a variety of management, inventory control and marketing skills necessary for success at Jewel Osco. Mentoring of these young people during their internship by store and support staff management is a key component of the internship program, giving interns the benefit of the experience of key management personnel in our business, people who have been where these young people are now.

2. Jewel Osco will continue to provide various health and nutritional informational programs. At various times of the year, typically in the spring, diabetes education and in-store screening with the opportunity to consult with a pharmacy expert will be offered. In addition, typically in early summer, a health fair to include blood pressure screening is available. In the late summer, a diabetes alert would be repeated, again allowing the opportunity to consult with a pharmacy expert. In late summer or early fall, flu shots are offered to the community.



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Currently, Jewel Osco is partnering with the City Public Schools in a citywide campaign targeting schools close to Jewel and Osco stores with the following programs:

1. The Jewel Osco/Chicago Public Schools Scholars Program, which includes a high school mentorship, a Jewel Osco internship, and college scholarships totaling \$25,000.
2. Jewel Osco has sponsored the Chicago Public Schools Children's First Walk for Funds. Our efforts have helped raise over \$200,000 over the past 2 years.
3. In the past year, 70,000 posters were distributed in partnership with the Chicago Wolves and the Illinois Liquor Commission in a public service campaign against under-age smoking and drinking.
4. Jewel Osco has many programs that target local schools, such as the Jewel Osco Target Gage Park High School Institute for PRIDE (Pharmacy, Retail, Information Technology, Distribution, Education) which is a school-to-career program established in partnership with the National Center on Education and the Economy.

In addition, Jewel Osco supports the Chicago Antihunger Federation and is the largest single contributor to the Chicago Food Depository, which supplies over 500 local food banks. Finally, Jewel Osco is an active supporter of Chicago United, the Museum of Science and Industry, and Streetwise, as well as many other organizations.