

# UNOFFICIAL COPY



0323803024

Eugene "Gene" Moore Fee: \$82.50  
Cook County Recorder of Deeds  
Date: 08/26/2003 10:18 AM Pg: 1 of 30

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

## CENTRAL LOOP IMPROVEMENT FUND PROGRAM GRANT AGREEMENT AND LIEN

This Central Loop Improvement Fund Program Grant Agreement and Lien ("Agreement") is made as of this 24 day of JULY, 2003 between LaSalle Bank National Association, as successor trustee to American National Bank and Trust Company of Chicago, the trustee under that certain Trust Agreement, dated December 12, 1994 and known as Trust No. 119781-03 ("Owner"), which is holding title for the benefit of various beneficial owners (collectively, the "Beneficial Owners"), having its principal address at 135 South LaSalle Street, Suite 2500, Chicago, Illinois 60603, and the City of Chicago (the "City"), having its principal address at 121 North LaSalle Street, Chicago, Illinois 60602, by and through its Department of Planning and Development ("DPD").

### RECITALS

A. The City Council of the City, by ordinance adopted on July 21, 1999, established the Central Loop Improvement Fund Program ("Program") to provide tax increment-funded financial assistance to eligible owners of commercial buildings in the Central Loop Area. The financial assistance is designed to help such owners implement the building and sign design standards and

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guidelines defined in the State Street Vision Plan and the State/Wabash/Michigan Vision Plan;

B. DPD has approved the application of Owner to receive financial assistance through the Program;

C. Owner owns in fee simple and has improved the building located at 11 N. Wabash Avenue, Chicago, Illinois 60602 (the "Building"), the real property on which the Building is located being legally described in Exhibit A hereto (the "Property") (the Building and the Property, together, the "Premises"), by repair and replacement of windows, stairways, lighting, elevators, doors and electrical systems (the "Project");

D. Owner has presented to DPD all lien waivers and payment receipts for construction work completed in connection with the Project, DPD has accepted same as sufficient evidence of the completion of the Project, and DPD has made final its determination that the completed Project qualifies for assistance under the Program; and

E. Subject to the terms and conditions described in this Agreement, the City now desires to make a recoverable grant under the Program to reimburse the Owner for those costs the Owner incurred in connection with the Project that are deemed eligible costs under the terms of the Program ("Eligible Costs"), it being acknowledged that the Program limits the amount of such grants to not more than fifty percent (50%) of the total Eligible Costs incurred by the Owner, and in any event such grants shall not exceed \$150,000,

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

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## SECTION 1. INCORPORATION OF RECITALS

The Recitals set forth above are hereby incorporated herein by reference and made a part hereof.

## SECTION 2. GRANT; TERM; CONDITIONS PRECEDENT

- 2.1 Subject to compliance by Owner with the requirements of the Program, including the submission of appropriate documentation in support of the reimbursement request from Program funds, as determined in the sole discretion of the Commissioner of DPD, the City agrees to grant an amount not to exceed \$150,000.00
- 2.2 (“Grant”) to Owner, which shall be disbursed to the Owner in full on the Closing Date, and shall be fully recoverable by the City except as specified herein.
- 2.2 Subject to Section 6 hereof, the City shall forgive the recovery of twenty percent (20%) of the Grant on the first anniversary of the Closing Date and twenty percent (20%) of the Grant on each subsequent anniversary of the Closing Date prior to the Expiration Date, and shall forgive the remaining portion of the Grant Amount on the Expiration Date.
- 2.3 Owner expressly agrees that any and all costs incurred by it for the Project in excess of the Grant amount specified in Section 2.1 herein shall be paid solely by Owner from its own funds.
- 2.4 The term (“Term”) of this Agreement shall commence on the date hereof (“Closing Date”) and shall terminate on the date that is five years after the Closing Date (“Expiration

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Date”).

2.5 On or before the Closing Date, the Owner shall provide the following documents to the City, each in form and content satisfactory to the City and the Corporation Counsel of the City: (a) a warranty deed to the Premises showing title to the Premises in the name of the Owner, or other evidence of title to the satisfaction of the City in its sole discretion; (b) copies of this Agreement, executed by all parties other than the City; (c) an Economic Disclosure Statement and Affidavit recertified as of the Closing Date disclosing, among other things, the names and percentage interests of all Beneficial Owners, if any, of the Owner; and (d) such other documents, agreements, instruments, certificates and affidavits as the City may require. The City shall receive within 30 days after the Closing Date (or within such other time period as may be approved by the City in its sole discretion) evidence satisfactory to the City of the recordation of this Agreement and of payment of all costs with respect thereto.

## SECTION 3 COVENANTS

3.1 Owner covenants that the Owner, the Property, the Building and the Project all now meet and shall for the Term of this Agreement continue to meet the definition of “Eligible Applicant” set forth in Exhibit B attached hereto.

3.2 Owner covenants, for itself and for each Beneficial Owner, if any, that for the Term of this Agreement: (a) the Owner has and shall maintain good, indefeasible and merchantable title to the Premises and all beneficial interest therein, and (b) that no Beneficial Owner shall sell, convey, transfer or assign any interest it has in the Owner.

3.3 All work performed in connection with the Project has complied with and shall continue to comply with the building codes of the City.

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3.4 The Owner shall pay all its own costs related to the Grant as required by the City hereunder, including insurance premiums and property taxes, and all costs associated with any subsequent amendments, substitutions or modifications hereto.

3.5 The Owner covenants as set forth in Exhibit C attached hereto regarding hazardous materials and the environmental laws, and as set forth in Exhibit D attached hereto regarding additional covenants.

## SECTION 4. PROGRAM COMPLIANCE; INSPECTION; RETENTION OF RECORDS

4.1 Owner shall maintain separate, complete, accurate and detailed books and records concerning the Project that reflect and fully disclose the total actual cost of the Project, including the disposition of the Grant and the total cost of the activities paid for, in whole or in part, with the Grant, and shall maintain complete and accurate records concerning the ownership of the Property and the Building. All such books, records, title documents and other related documents shall be available at Owner's offices at reasonable times for inspection and copying by an authorized representative of the City, at Owner's expense. Rights of inspection and review provided in this Section 4 shall continue for the Term of this Agreement.

4.2 Any authorized representative of the City shall, at all reasonable times, have access to all portions of the Premises.

## SECTION 5. INSURANCE; INDEMNIFICATION

5.1 Owner shall maintain and keep in force, at its sole cost and expense, at all times

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throughout the Term of this Agreement and until each and every obligation of Owner contained in this Agreement has been fully performed, insurance in such amounts and of such type as set forth in Exhibit E hereto.

5.2 The Owner shall pay, indemnify and save the City and the City's officers, employees and agents harmless of, from and against any and all claims, expenses, liabilities, damages or causes of action that may be brought against the City arising out of, or incidental to, the Project or this Agreement. In the event that any such claim is brought against the City or any of the City's officers, employees or agents, the Owner, upon notice from the City, covenants to resist and defend such claim on behalf of the City and the City's officers, employees and agents. The City shall have the right to employ separate counsel in any such claim and to participate in the defense thereof. The fees and expenses of such counsel reasonably incurred shall be at the expense of the Owner without regard to any authorization of such employment by the Owner.

**THE OWNER AGREES THAT THE COVENANTS CONTAINED IN THIS SECTION 5.2 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

## SECTION 6. EVENTS OF DEFAULT; REMEDIES

6.1 The occurrence of any of the following shall constitute an event of default under this Agreement ("Event of Default"):

- (a) the Owner's failure to perform or observe any condition, warranty, representation, covenant, term or provision contained herein (other than as described in any of the other clauses of this Section), including the covenants set forth in Section 3.2 hereof, which remains unremedied for 30 days after notice thereof from the City to the Owner; provided, however, that if any such failure cannot reasonably be cured within said 30-day period and if the Owner shall have commenced to cure

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such failure within said 30-day period and shall thereafter continue diligently to effect such cure, then said 30-day period shall be extended to 60 days upon written request from the Owner to the City delivered during such 30-day period (provided, however, that the City shall not be precluded during any such periods from exercising any remedies hereunder if its security becomes or is about to become materially jeopardized by any failure described in this clause within such period);

- (b) a writ of execution, attachment or any similar process shall be issued or levied against all or any portion of the Premises or any interest therein, or any judgment involving monetary damages shall be entered against the Owner which shall become a lien on all or any portion of the Premises or any interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within 30 days after its entry or levy;
- (c) any warranty, representation or statement made or furnished to the City by or on behalf of the Owner proving to have been false in any material respect when made or furnished;
- (d) the abandonment by the Owner of all or any portion of the Premises;
- (e) the occurrence of any event of default with respect to the payment of any monies due and payable to the City by the Owner other than in connection with the Grant, or the occurrence of a default in the performance or observance of any obligation, provision or condition by the Owner under any agreement or other instrument other than in connection with the Grant to which the Owner is now or hereafter a party, or the occurrence of any other event under any such agreement or

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instrument upon which any holder of indebtedness outstanding thereunder may declare the same due and payable, and in each such case the continuation of such default beyond any applicable cure periods;

- (f) the Owner's failure to procure or maintain any insurance required hereunder;
- (g) the Owner's sale, partial sale, transfer, conveyance, assignment or other disposition of all or any portion of the Premises, whether by operation of law, voluntarily or otherwise, or if the Owner shall enter into a contract to do any of the foregoing; or
- (h) with respect to this Agreement or the transactions contemplated hereunder, the occurrence of a violation of Section 2-156-030(b) of the Municipal Code of Chicago by any elected official, or any person acting at the direction of such official.

6.2 Upon, or at any time after, the occurrence of an Event of Default hereunder, the City may elect to recover any unforgiven portion then outstanding of the Grant ("Election to Recover"). Upon the declaration of an Election to Recover, the portion of the Grant not yet forgiven and any other amounts then due to the City from the Owner hereunder shall be immediately due and payable to the City, and penalties and interest as set forth herein below shall accrue upon such amount not then immediately paid to the City, without defense (except payment) or set-off, presentment, demand, protest or notice of any kind, and the City may proceed to exercise any other rights and remedies available to the City under this Agreement or which the City may have at law, in equity or otherwise.

6.3 Following an Election to Recover, the obligations of the Owner to repay the entire



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unforgiven portion of the Grant shall be absolute and unconditional and shall be without defense (except payment) or set-off, to the extent permitted by law, by reason of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Premises, commercial frustration of purpose, any change in the tax or other laws or administrative rulings of or administrative actions by the United States of America or the State of Illinois or any political subdivision of either, or any failure of the City to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement, it being the intention of the parties hereto that the payments required hereunder following an Election to Recover shall be paid in full when due without any delay or diminution whatsoever.

6.4 If any repayment of the entire unforgiven portion of the Grant or any other charges due to the City shall not be immediately paid as required herein, then the Owner shall also pay the City as liquidated damages and not as a penalty an additional "late charge" of four percent of such delinquent payment or the maximum permitted by law, whichever is less, in order to defray the increased cost of collection occasioned by any such late payments. Further, any such delinquent payments shall bear interest from and after the date due at the lesser of the rate of 15 percent per annum or the maximum rate permitted by law until so paid. Demand, presentment for payment, protest, notice of non-payment and notice of protest are hereby waived by the Owner.

6.5 Upon the occurrence of an Election to Recover, the City may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the repayment of the then-outstanding remaining portion of the Grant and all other amounts due to the City from the Owner, and to enforce and compel the performance of the duties and obligations of the Owner as herein set forth.

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6.6 In case the City shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the City, then and in every such case the Owner and the City shall be restored respectively to their respective positions and rights hereunder, and all rights, remedies and powers of the Owner and the City shall continue as though no such proceedings had been taken.

6.7 In the event the Owner should default under any of the repayment provisions of this Agreement and the City should employ attorneys or incur other costs for the collection of the repayments due under this Agreement or the enforcement of performance or observance of any obligation or agreement on the part of the Owner herein contained, the Owner agrees that it shall, on demand therefor, pay to the City the fees of such attorneys and such other costs so incurred by the City.

6.8 The remedies of the City shall be cumulative and concurrent and may be pursued singularly, successively or together, at the sole discretion of the City and may be exercised as often as occasion therefor shall arise, and shall not be exclusive but shall be in addition to every other remedy now or hereafter existing at law, in equity, or by statute. Except as otherwise specifically required herein, notice of the exercise of any right or remedy granted to the City hereunder or by the Agreement is not required to be given.

## SECTION 7. NOTICES

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below or elsewhere in this Agreement, by any of the following means: (A) personal service; (B) electronic communications, whether by telex, telegram, telecopy or facsimile machine; (C) overnight courier or (D) registered or certified first

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class mail return receipt requested.

IF TO THE CITY:

City of Chicago  
Department of Planning and Development  
121 North LaSalle St., Room 1000  
Chicago, Illinois 60602  
Attn: Robert Kunze, TIF Division  
FAX No. (312) 744-7996

WITH COPY TO:

City of Chicago  
Department of Law  
121 North LaSalle St., Room 511  
Chicago, Illinois 60602  
Attn: Finance and Economic Development Division  
FAX No. 744-8538

IF TO OWNER:

LaSalle Bank National Association  
135 South LaSalle Street, Suite 2500  
Chicago, IL 60603  
FAX No. (312) 904-1563

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 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)

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shall be deemed received two business days following receipt in the mail.

## SECTION 8. AMENDMENT

This Agreement may not be amended except by agreement in writing signed by the City and Owner.

## SECTION 9. ENTIRE AGREEMENT

9.1 This Agreement, together with the terms, conditions and requirements of the Program, as provided to Owner in the Program Guidelines and the Owner's completed Program Application packet, constitute the entire agreement between the City and Owner and supersede all prior agreements, negotiation and discussion between them regarding the subject matter hereof.

9.2 If the Owner shall consist of more than one individual, all of the representations, warranties, obligations and covenants of the Owner contained herein shall be joint and several with respect to each such individual, unless otherwise specifically provided.

## SECTION 10. COVENANT TO RUN WITH THE LAND

The parties declare their express intent that throughout the Term of this Agreement, the covenants, reservations and restrictions provided herein shall be deemed covenants, reservations and restrictions running with the land comprising the Property to the fullest extent permitted by law and shall be binding upon Owner's legal representatives, heirs, successors and assigns. By acceptance of a transfer or conveyance of the Property or any interest or right therein (including fee or leasehold), the transferee to which such interest is transferred or conveyed shall be deemed

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to accept and agree to be bound by the provisions of this Agreement whether or not any reference thereto is contained in the instrument of transfer or conveyance.

## SECTION 11. GENERAL CONDITIONS

11.1 Waiver. Waiver by the City with respect to any particular default under this Agreement shall not be considered or treated as a waiver of the rights of the City with respect to any other default.

11.2 No Third Party Relationship. 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.

11.3 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.

11.4 Governing Law. This Agreement shall be interpreted, construed and enforced under the laws of the State of Illinois.

11.5 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

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Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

11.6 Recordation. Upon funding of the Grant by the City pursuant to this Agreement on the Closing Date, the Owner shall promptly and at its expense record one original of this Agreement with the Office of the Recorder of Deeds of Cook County, Illinois.

11.7 Non-liability of Public Officials. No official, employee or agent of the City shall be charged personally by the Owner or by an agent, assignee or subcontractor of the Owner with any liability or expenses of defense or be held personally liable under any term or provision of this Agreement.

11.8 Compliance with Law. Owner shall comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, including Title 2, Chapter 2-156 of the Municipal Code of Chicago (the "Governmental Ethics Ordinance"), pertaining to or affecting the Project or Owner. Upon the City's request, Owner shall provide evidence satisfactory to the City of such compliance.

11.9 Authority. Owner represents that it has full power and authority to execute and perform this Agreement and that the execution, delivery and performance of this Agreement and has been duly authorized.

11.10 Assignment. The Owner may not sell, assign or transfer this Agreement. The Owner consents to the City's sale, assignment, transfer or other disposition of this Agreement at any time in whole or in part.

11.11 Invalidation. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such provision shall be deemed severed from this

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Agreement to the extent of such invalidity or unenforceability, and the remainder hereof shall not be affected thereby, each of the provisions hereof being severable in any such instance.

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

11.13 References to Statutes, Etc. All references herein to statutes, regulations, rules, executive orders, ordinances, resolutions or notices or circulars issued by any governmental body shall be deemed to include any and all amendments, supplements and restatements from time to time to or of such statutes, regulations, rules, executive orders, ordinances, resolutions, notices and circulars.

11.14 No Business Relationship with City 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 an 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 the Agreement or in connection with the transactions contemplated thereby, shall be grounds for termination of the Agreement and the transactions contemplated thereby. The Owner 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 the Agreement or the transactions contemplated thereby.

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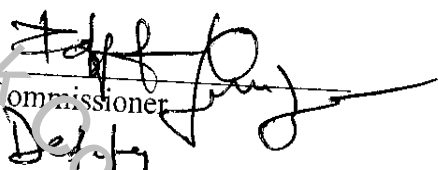
IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the day and year first written above.

LASALLE BANK NATIONAL ASSOCIATION,  
as trustee <sup>as trustee</sup> and not personally

This instrument is executed by LaSalle Bank National Association, not personally, but solely as Trustee, as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee. All the terms, provisions, stipulations, covenants and conditions to be performed by LaSalle Bank National Association are undertaken by it solely as Trustee, as aforesaid, and not individually and all statements herein made are made in information and belief and are to be construed accordingly, and no personal liability shall be asserted or be enforceable against LaSalle Bank National Association by reason of any of the terms, provisions, stipulations, covenants and/or statements contained in this instrument

BY:   
Its: ASSISTANT VICE PRESIDENT

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

BY:   
Its: Commissioner  
Deputy

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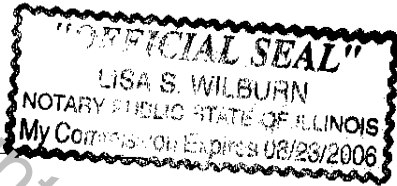
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STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, the undersigned, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Shovan Popovic, personally known to me to be the **ASSISTANT VICE PRESIDENT** of LaSalle Bank National Association, a Association ("Owner"), and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me acknowledged that, as such **ASSISTANT VICE PRESIDENT** he or she signed and delivered said instrument pursuant to authority given by the Board of Directors of the Owner, as his or her free and voluntary act and as the free and voluntary act of Owner, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 23<sup>rd</sup> day of July, 2003.

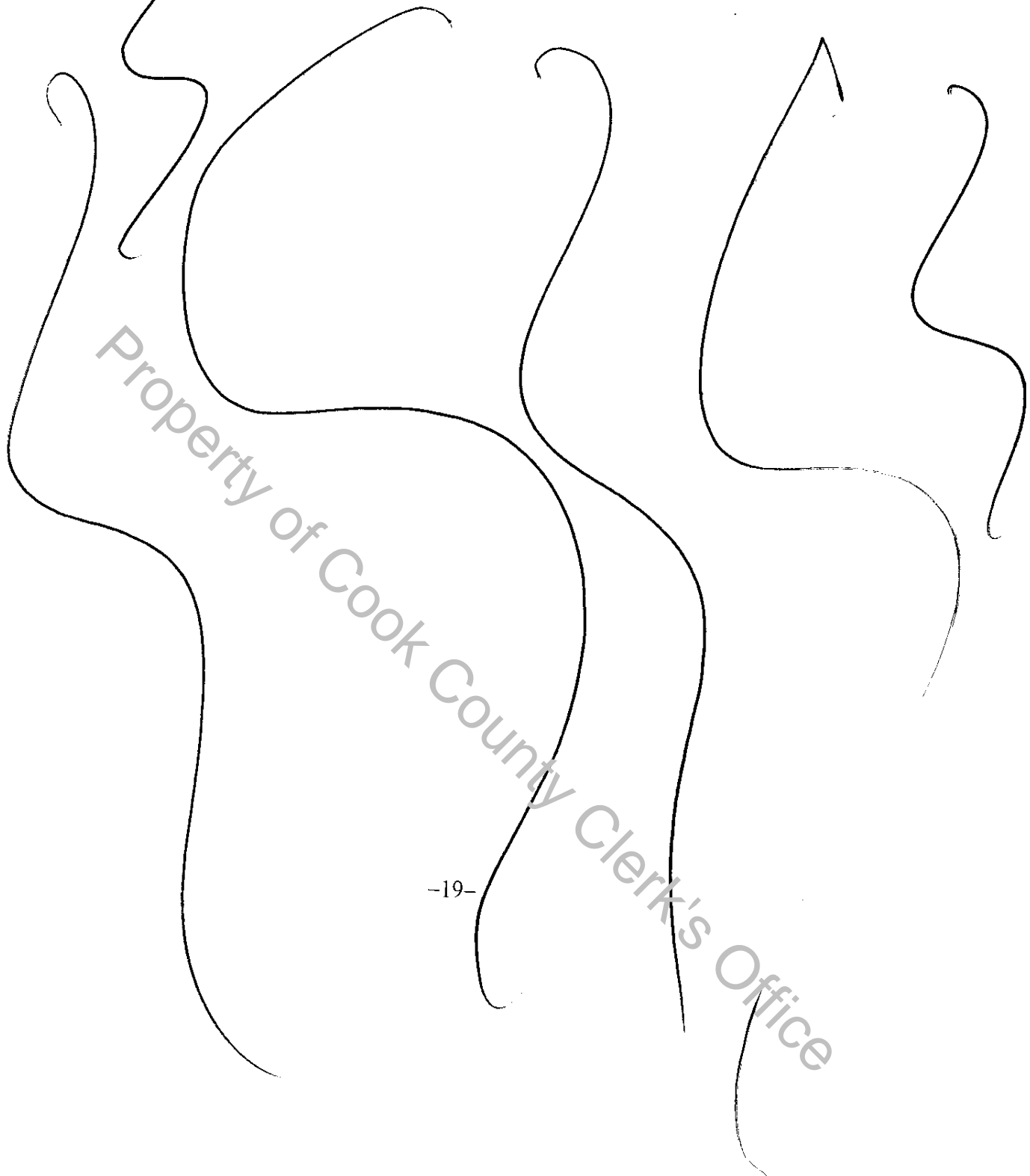
Lisa Wilburn  
Notary Public



My Commission expires: 8/23/06

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STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, Yolanda Quesada, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Robert Kuenze, personally known to me to be the Deputy Commissioner of the Department of Planning of the City of Chicago, an Illinois municipal corporation ("City") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me acknowledged that, as such Deputy Commissioner, he or she signed and delivered said instrument pursuant to authority given by the City Council of the City, as his or her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 25 day of July, 2003

Yolanda Quesada  
Notary Public



My Commission expires: Aug. 17, 2005

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## EXHIBIT A

Legal Description of the Property:

THE NORTH 40.5 FEET OF LOT 10 IN BLOCK 15 IN FORT DEARBORN  
ADDITION TO CHICAGO, A SUBDIVISION IN THE SOUTH FRACTIONAL  
½ OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE  
THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Common Street Address: 11 North Wabash Avenue, Chicago, IL 60602

Permanent Index Number(s): 17-10-312-003-0000

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## EXHIBIT B

### Eligible Applicant Definition

Building owners who lease space to retail, other commercial, educational, non-profit or residential tenants, or who seek to attract such new tenants to vacant space by offering reasonable lease rates (not to exceed the median lease rates for Chicago's Central Business District).

Building owners in possession of current leases with at least five (5) year remaining or letters of intent from potential new tenants.

Only projects which conform with the uses and goals defined in the Central Loop Redevelopment Plan for the Central Loop T.I.F. District will be accepted for funding.

Businesses which are not eligible include, but may not be limited to, fast-food restaurants (as defined by DPD), branch banks, liquor stores, adult bookstores and similar businesses and storage or warehousing.

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## EXHIBIT C

### Owner Representations, Warranties And Covenants Regarding Hazardous Materials And Environmental Laws

Except as disclosed in the Hazardous Materials listed on this Exhibit C (such Hazardous Materials being referred to as the "Existing Materials" and defined as: (i) any hazardous substance, material or waste, toxic substance or regulated material including but not limited to any substance defined in or regulated by any and all environmental laws; (ii) crude oil, petroleum or any fraction thereof, which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute); (iii) any waste oil; (iv) any flammable or explosive material; (v) any radioactive materials; (vi) asbestos and asbestos-containing materials in any form or condition; (vii) polychlorinated biphenyls (PCBs) or substances or compounds containing PCBs; (viii) urea formaldehyde foam insulation; (ix) pesticides, rodenticides and insecticides; (x) "special waste," as defined in 415 ILCS 5/3.45; (xi) lead-based paint; and (xii) any and all other chemicals, pollutants, contaminants, mixtures or dangerous substances, materials or wastes), neither the Owner nor, to the best of the Owner's knowledge after due inquiry, any other person or entity has ever caused or permitted at any time or for any duration any Hazardous Materials to be generated, manufactured, handled, treated, stored, used, recycled, refined, processed, placed, held, located or disposed of, on, under or at or transported to or released from (i) the Premises or any part thereof or (ii) any other real property in which the Owner has any estate or interest whatsoever (including, without limitation, any property owned by a land trust, the beneficial interest in which is owned, in whole or in part, by the Owner), and neither the Premises nor the property described in (ii) above has ever been used by the Owner or, to the best of the Owner's knowledge after due inquiry, any other person or entity as a temporary or permanent dump or storage site for any Hazardous Materials;

All Hazardous Materials generated, manufactured, stored, treated, used, recycled, processed, refined or handled on or transported to the Premises have been handled, treated, stored and disposed of in a lawful manner and in compliance with any and all environmental laws;

No environmental, public health or safety hazards currently exist with respect to the Premises, the use thereof or the business or operations conducted thereon except as to the possible effects of the Existing Materials and no underground storage tanks (including, but not limited to, petroleum and hazardous substance storage tanks) are

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present on or under the Premises except as has been disclosed on this Exhibit C ("Permitted Tanks");

There have been and are no past, and there are no pending or, to the best of the Owner's knowledge after due inquiry, threatened: claims by any governmental agency or other entity relating to environmental contamination of the Premises or failure to comply with any and all environmental laws, including but not limited to (i) claims regarding public health risks or the environmental contamination of the Premises; (ii) claims regarding the disposal or presence of Hazardous Materials on the Premises; (iii) claims regarding compliance with environmental laws at the Premises; or (iv) claims that could impair the value of the Premises;

The Premises (including underlying ground water and areas leased to tenants, if any) have been and are in compliance with all applicable federal, state and local laws, statutes, rules, regulations, executive orders, ordinances, codes, decrees and judgments, including any and all environmental laws, pertaining to or affecting the Premises and the use thereof and the conduct of any business or operations thereon;

The Owner shall immediately advise the City in writing of: (i) any notices received by the Owner from any federal, state or local governmental agency or regional office thereof of the violation or potential violation or of any inquiry regarding any such potential violation by the Owner of any applicable environmental laws; (ii) any and all enforcement, clean-up, removal, remedial or other governmental or regulatory actions instituted, completed or threatened pursuant to any environmental laws; (iii) all claims made or threatened by any third party against the Owner or the Premises relating to any losses resulting from any Hazardous Materials (the matters set forth in clauses (i), (ii) and (iii) above are hereinafter collectively referred to as "Hazardous Materials Claims"); and (iv) the Owner's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Premises that could cause the Premises or any part thereof to be subject to any Hazardous Materials Claims;

All Hazardous Materials presently generated, manufactured, handled, stored, treated, used, recycled, refined or processed on or transported to the Premises shall be treated, stored and disposed of in a lawful manner and in compliance with any and all of the environmental laws and the Owner shall satisfy all requirements of applicable environmental laws for the maintenance and removal of all underground storage tanks on the Premises, if any;

Other than Existing Materials, no Hazardous Materials shall be generated, manufactured, handled, treated, stored, used, recycled, refined or processed on or transported to the Premises without 30 days' prior written notice to the City except for any Hazardous Materials which may be used in the normal course of activities in residential facilities; and



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The Owner shall provide such information, certifications and any other documentation which the City may request from time to time to insure the Owner's compliance with this Agreement and all environmental laws.

## HAZARDOUS MATERIALS

### Existing Materials

**[if any such Existing Materials exist, type the list in here]  
[otherwise, type "None" here]**

### Permitted Tanks

**[if any such Permitted Tanks exist, type the list in here]  
[otherwise, type "None" here]**

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## EXHIBIT D

### Additional Covenants

All rights to discoveries, inventions, materials, copyrights and rights in data generated under this Agreement shall be subject to the regulations issued by the City, where applicable;

The Owner shall immediately notify the City of any and all events or actions, including but not limited to child support payment order violations or scofflaw violations, which may materially adversely affect the Owner's ability to carry on its operations or perform all its obligations under the Agreement or any other documents or agreements to which it is or may become a party or by which it is or may become bound, as long as the Grant remains outstanding;

No portion of the Grant proceeds shall be used to pay any fees for services rendered by the Owner in connection with the Project;

No current member, official or employee or former member, official or employee of the City has or shall have any personal interest, direct or indirect, in the Owner's business, or shall participate in any decision relating to the Owner's business which affects his personal interests or the interests of any corporation, partnership or association in which he is directly interested; and

No former member, official or employee of the City shall, for a period of one year after the termination of the member's, official's or employee's term of office or employment, assist or represent the Owner in any business transaction involving the City or any of its agencies, if the member, official or employee participated personally and substantially in the subject matter of the transaction during his term of office or employment, provided that if the member, official or

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employee exercised contract management authority with respect to a contract (including any grant from the City), this prohibition shall be permanent as to that contract.

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## EXHIBIT E

### Insurance Requirements

Owner shall procure and maintain, or cause to be maintained, at all times, at Owner's own expense, the types of insurance specified below, with insurance companies authorized to do business in the State of Illinois, as follows:

(a) Commercial Liability Insurance (Primary and Umbrella)

Commercial liability insurance or equivalent with limits of not less than \$1,000,000 per occurrence, combined single limit, for bodily injury, personal injury and/or property damage liability. Coverage extensions shall include the following: all premises and operations, products/completed operation, independent contractors, cross liability and contractual liability coverages (with no limitation endorsement). City, its employees, elected officials, agents and representatives shall be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the Project.

(b) All Risk Property Damage

Owner shall obtain an all risk property policy in the amount of full replacement value, including improvements and betterments, covering damage to or loss of the Premises. The insurance shall include the following extensions: business interruption/loss of rents, and boiler and machinery, if applicable. The policy shall list City as loss payee as their interest may appear.

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Owner shall furnish the City of Chicago, Department of Housing, 318 South Michigan Avenue, Chicago, Illinois 60604, original certificates of insurance evidencing the required coverages to be in force on the date hereof, and renewal certificates of insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term hereof.

The receipt of any certificate does not constitute agreement by City that the insurance requirements of this Section have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements. The failure of City to obtain certificates or other insurance evidence from Owner shall not be deemed to be a waiver by City. Owner shall advise all insurers of the provisions of this Section regarding insurance. Non-conforming insurance shall not relieve Owner of its obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions of this Section may constitute an Event of Default.

All insurance policies shall provide that City shall be given 30 days' prior written notice of any modification, nonrenewal or cancellation.

If Owner fails to obtain or maintain any of the insurance policies required under this Agreement or to pay any premium in whole or in part when due, City may (without waiving or releasing any obligation or Event of Default by Owner hereunder) obtain and maintain such insurance policies and take any other action which City deems advisable to protect its interest in the Premises. All sums so disbursed by City, including reasonable attorneys' fees, court costs and expenses, shall be reimbursed by Owner upon demand by City.

Any and all deductibles or self-insured retention on the insurance coverages required herein shall be borne by Owner.

Owner expressly understands and agrees that any insurance coverages and limits furnished by Owner shall in no way limit Owner's liabilities and responsibilities specified under

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the Agreement or by law.

Owner expressly understands and agrees that any insurance or self-insurance programs maintained with respect to the Premises by City shall apply in excess of and not contribute with insurance provided by Owner under this Section.

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

If Owner desires additional coverage, higher limits of liability, or other modifications for its own protection, Owner shall be responsible for the acquisition and cost of such additional protection.

The City maintains the right to modify, delete, alter or change these requirements.

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