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AMENDMENT TO REGULATORY AGREEMENT

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Karen A. Yarbrough

Cook County Clerk

Date: 01/26/2021 04:15 PM Pg: 1 of 17

**THIS INSTRUMENT WAS PREPARED
BY AND AFTER RECORDING RETURN
TO:**

Randall Johnson
Senior Assistant Corporation Counsel
Office of the Corporation Counsel
City of Chicago
121 North LaSalle Street, Room 600
Chicago, Illinois 60602

This space reserved for recorder's use only

AMENDMENT TO REGULATORY AGREEMENT

THIS AMENDMENT TO REGULATORY AGREEMENT (this "**Amendment**") is made in Chicago, Illinois as of December 18, 2020 (the "**Closing Date**") by and between the **CITY OF CHICAGO**, a municipality and home rule unit of local government (the "**City**"), acting by and through its Department of Housing ("**DOH**") as successor to the Department of Planning and Development ("**DPD**"), and **WARREN ASHLAND, LP**, an Illinois limited partnership (the "**Borrower**" or the "**Owner**"). All capitalized terms not defined herein shall be as defined in the Financing Documents and Regulatory Agreement (as defined herein).

RECITALS

WHEREAS, the City Council, pursuant to an ordinance published in the Journal of Proceedings dated October 31, 2018, at pp. 86543-86558 (the "**Warren Ordinance**"), authorized DPD, as predecessor to DOH, to make a loan in the original principal amount of Four Million Two Hundred Fifty Thousand and No/100 Dollars (\$4,250,000) (the "**City Loan**") from Multi-Family Program Funds ultimately determined to be HOME Funds, to Owner; and

WHEREAS, the City Loan was part of the financing for the Warren Apartments affordable housing project (the "**Project**"), which is comprised of a 7-story, 63 unit elevator building located on real property generally known at 1533 West Warren Boulevard (the "**Warren Building**"), and a 3-story 12-unit non-elevator building located on the real property generally known as 3 North Ashland Avenue and 11 North Ashland Avenue (the "**Ashland Building**"), all of which is located in Chicago, Illinois and is legally described in Exhibit A attached hereto (the "**Property**");

WHEREAS, the proceeds of the City Loan were used in connection with the acquisition, construction and equipping of twenty-six (26) HOME Units within the Warren Building, and no City Loan proceeds were used in connection with acquisition, construction and equipping of the Ashland Building;

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WHEREAS, the City Loan was evidenced by that certain Note made by the Borrower in favor of the City and dated as of April 22, 2019 (the “**City Note**”), and was further evidenced and secured by, among other things, that certain Housing Loan Agreement by and between the City and Borrower dated as of April 22, 2019 (the “**Loan Agreement**”); that certain Junior Mortgage, Security Agreement and Financing Statement dated as of April 22, 2019 made by the Borrower in favor of the City and recorded with the Office of the Recorder of Deeds of Cook County, Illinois (the “**Recorder of Deeds**”) on April 23, 2019 as Document Number 1911334088 (the “**City Mortgage**”); that certain Assignment of Contracts and Documents dated as of April 22, 2019 (the “**Assignment of Contracts and Documents**”); and that certain Assignment of Rents and Leases dated as of April 22, 2019 (the “**Assignment of Rents and Leases**”) and recorded with the Recorder of Deeds on April 23, 2019 as Document Number 1911334089. The City Note, City Mortgage, Assignment of Contracts and Documents, Assignment of Rent and Leases, and the Loan Agreement collectively, shall be referred to herein as the “**Financing Documents**”; and

WHEREAS, in addition, the City and the Borrower entered into that certain HOME PROGRAM REGULATORY AGREEMENT effective as of April 22, 2019 that was recorded with the Recorder of Deeds on April 23, 2019 as Document Number 1911334085 (the “**Regulatory Agreement**” or the “**Original Regulatory Agreement**”), pursuant to which twenty-six (26) Project units were designated as HOME Units (as defined in the Regulatory Agreement) and of these twenty-six (26) HOME Units, twenty (20) of the HOME Units were designated for Low-Income Families (the “**60% Fixed Units**” listed on Exhibit B Section II paragraph 2 of the Regulatory Agreement), and six (6) of the HOME Units were designated for Very Low-Income Families (the “**50% Fixed Units**” listed on Exhibit B Section II paragraph 2 of the Regulatory Agreement); and

WHEREAS, the Borrower has previously entered into a Project Based Voucher Housing Assistance Payments Contract number pbv145 with the Chicago Housing Authority (“**CHA**”) effective as of March 4, 2020 (the “**PRA HAP Contract**”), as amended by the Amendment #1 to Delete, Substitute and/or Add Units effective May 6, 2020 (the “**PRA HAP Contract Amendment**”) pursuant to which the Borrower receives twenty-one (21) Project Based Vouchers (“**PBVs**”) (collectively, the PRA HAP Contract and the PRA HAP Contract Amendment form the “**HAP Contract**”);

WHEREAS, Borrower (i) has completed construction of the Project, (ii) is in the process of leasing the dwelling units and (iii) the CHA and Borrower desire to enter into an Amendment #2 to Delete, Substitute and/or Add Units pursuant to which four (4) additional PBVs will be added to the HAP Contract for an aggregate total of twenty-five (25) PBVs;

WHEREAS, in order to take advantage of the four (4) additional PBVs, Borrower and the City agree that unit designations on Exhibit B, Part II of the Regulatory Agreement must be changed to (i) include sixteen (16) HOME Units restricted to occupancy by Low-Income Families in the 60% Fixed Units (instead of the twenty (20) currently identified) and (ii) ten (10) HOME Units restricted to occupancy by Very Low-Income Families in the 50% Fixed Units (instead of the six (6) currently identified) in Exhibit B Part II currently on the Regulatory Agreement; and

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WHEREAS, the parties to this Amendment desire to amend the Regulatory Agreement to change the Unit designations as set forth on the new Exhibit B. Part II attached hereto as Exhibit B and made a part hereof; and

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, the Recitals of which are made a contractual part of this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. Amendments to the Original Regulatory Agreement.

1.1. All references to Department of Planning and Development (“DPD”) are amended to refer to the Department of Housing (“DOH”), located at 121 North LaSalle Street, Room 1000, Chicago, Illinois 60602.

1.2. Exhibit B, Section II is hereby deleted and replaced with the Exhibit B – Amended, Section II attached hereto. All references in the Regulatory Agreement and Financing Documents to Exhibit B Section II shall hereafter refer to and mean Exhibit B – Amended, Section II.

1.3. All references herein and in the Original Regulatory Agreement to the Regulatory Agreement shall hereafter refer to and mean the Original Regulatory Agreement as amended by the terms of this Amendment To Regulatory Agreement.

Section 2. Owner’s Warranties. Except as specifically modified by this Amendment, the Owner hereby represents, warrants and confirms to the City that, as of the date hereof:

2.1. The Regulatory Agreement and the obligations of the Owner thereunder remain in full force and effect, are hereby ratified and confirmed, and may be enforced against the Owner in accordance with their terms by the City against the Owner and the Property;

2.2. All representations, warranties, certifications, statements, affidavits and other items heretofore made or furnished to the City by or on behalf of the Owner in connection with the Regulatory Agreement, were true, accurate and complete as of the date made or furnished to the City, and continue to be true, accurate and complete as if furnished or made by or with respect to the Owner as of the date hereof;

2.3. The Owner acknowledges and warrants to the City that it claims no defense, right of offset or counterclaim against enforcement of the Regulatory Agreement (as modified by this Amendment) and has no other claim against the City;

2.4. To the best of its knowledge, any Event of Default under the Regulatory Agreement will be or has been cured to the satisfaction of the City as of the date hereof; and

2.5. The execution, delivery and performance of this Amendment and the consummation of the transactions hereby contemplated will not conflict with any law, statute or regulation to which the Owner or the Property is subject.

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Section 3. **No Novation.** The Parties hereto acknowledge and agree that this Amendment does not constitute a novation, but is intended to be an amendment and modification of the Regulatory Agreement. Except as amended hereby, the provisions of the Regulatory Agreement remain in full force and effect and are hereby ratified and confirmed, and it unconditionally does and will remain at all times a lien, claim or charge on the Property.

Section 4. **Legal Representation.** The Owner: (i) is represented by independent legal counsel of its choice in the transaction contemplated by this Amendment; (ii) is fully aware and clearly understands all the terms contained in this Amendment; (iii) has voluntarily, with full knowledge and without coercion or duress of any kind entered into this Amendment; (iv) is not relying on any representation, either written or oral, express or implied, made by the City other than as set forth in this Amendment; (v) on its own initiative has made proposals to the City, the terms of which are reflected by this Amendment; and (vi) has received actual and adequate consideration to enter into this Amendment.

Section 5. **Conflicts.** In the event of a conflict or inconsistency between the provisions of the Regulatory Agreement and the provisions of this Amendment, the provisions of this Amendment shall govern and control.

Section 6. **Amendment Binding.** This Amendment shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns; provided, however, that the Owner may not assign this Amendment or its rights and obligations under the Regulatory Agreement without the prior written consent of the City.

Section 7. **Execution.** This Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute a single agreement.

Section 8. **Governing Law.** This Amendment shall be governed by and construed in accordance with the internal laws of the State of Illinois without regard to its conflict of laws principles.

Section 9. **Severability.** If any provision of this Amendment is determined by a court having jurisdiction to be illegal, invalid or unenforceable under any present or future law, the remainder of this Amendment will not be affected thereby. It is the intention of the Parties that if any provision is so held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible that is legal, valid and enforceable.

Section 10. **Amendment.** Neither this Amendment nor any of the provisions hereof can be changed, waived, discharged or terminated except by an instrument in writing signed by all Parties hereto.

Section 11. **No Waiver.** No waiver of any action or default will be implied from the failure or delay by the City to take any action in respect of such action or default. No express waiver of any condition precedent or default will affect any other default or extend any period of time for performance other than as specified in such express waiver. One or more waivers of any default in the performance of any provision of this Amendment or of the Regulatory Agreement will not be deemed a waiver of any subsequent default in the performance of the same provision

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or any other provision. The consent to or approval of any act or request by any party will not be deemed to waive or render unnecessary the consent to or approval of any subsequent similar act or request.

Section 12. **Indemnification.** The Owner expressly agrees that no member, official, employee or agent of the City shall be individually or personally liable to the Owner, or any of their successors or assigns, in the event of any default or breach by the City under this Amendment.

Section 13. **Recording.** This Amendment shall be recorded against the Property in the Recorder of Deeds at the expense of the Owner.

Section 14. **Shakman Accord**

14.1. The City is subject to the May 31, 2007 Order entitled “**Agreed Settlement Order and Accord**” (the “**Shakman Accord**”) and the August 16, 2007 “**City of Chicago Hiring Plan**” (the “**City Hiring Plan**”) entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

14.2. The Owner is aware that City policy prohibits City employees from directing any individual to apply for a position with the Owner, either as an employee or as a subcontractor, and from directing the Owner to hire an individual as an employee or as a subcontractor. Accordingly, the Owner must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by the Owner under this Amendment are employees or subcontractors of the Owner, not employees of the City of Chicago. This Amendment is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by the Owner.

14.3. The Owner will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Regulatory Agreement, or offer employment to any individual to provide services under this Amendment, based upon or because of any political reason or factor, including, without limitation, any individual’s political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual’s political sponsorship or recommendation. For purposes of this Amendment, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

14.4. In the event of any communication to the Owner by a City employee or City official in violation of Section 14.2, above, or advocating a violation of Section 14.3, above, the Owner will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City’s Office of the Inspector General (“**IGO Hiring Oversight**”), and also to the head of the relevant City Department utilizing services provided under this Amendment. The

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Owner will also cooperate with any inquiries by IGO Hiring Oversight or the Shakman Monitor's Office related to the contract.

Section 15. Prohibition On Certain Contributions - Mayoral Executive Order No. 2011-4

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

15.2. The Owner represents and warrants that from the later to occur of (a) May 16, 2011, and (b) the date the City approached the Owner or the date the Owner approached the City, as applicable, regarding the formulation of this Amendment, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

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

15.4. The Owner agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

15.5. The Owner agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Amendment, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Amendment, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

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15.6. If the Owner intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the closing of this Amendment, the City may elect to decline to close the transaction contemplated by this Amendment.

15.7. For purposes of this provision:

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

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

“**Contribution**” means a “political contribution” as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

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

- (A) they are each other’s sole domestic partner, responsible for each other’s common welfare; and
- (B) neither party is married; and
- (C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (E) two of the following four conditions exist for the partners:
 1. The partners have been residing together for at least 12 months.
 2. The partners have common or joint ownership of a residence.
 3. The partners have at least two of the following arrangements:
 - a. joint ownership of a motor vehicle;
 - b. a joint credit account;
 - c. a joint checking account;
 - d. a lease for a residence identifying both domestic partners as tenants.
 4. Each partner identifies the other partner as a primary beneficiary in a will.

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

Section 16. FOIA And Local Records Act Compliance

16.1. FOIA. The Owner acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended (“FOIA”). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If the Owner receives a request from the City to produce records within the scope of FOIA, then the Owner covenants to comply with such request within 48 hours of the date of such request. Failure by the Owner to timely comply with such request will be a breach of this Amendment.

16.2. Exempt Information. Documents that the Owner submits to the City during the term of the Regulatory Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by the Owner to be treated as a trade secret or information that would cause competitive harm, FOIA requires that the Owner mark any such documents as “proprietary, privileged or confidential.” If the Owner marks a document as “proprietary, privileged and confidential”, then DOH will evaluate whether such document may be withheld under the FOIA. DOH, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General’s Office and/or the courts.

16.3. Local Records Act. The Owner acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et seq. as amended (the “**Local Records Act**”). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Owner covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act concerning records arising under or in connection with this Amendment and the transactions contemplated in the Regulatory Agreement.

Section 17. Failure To Maintain Eligibility To Do Business With The City

Failure by the Owner or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of this Amendment and the transactions contemplated thereby. The Owner shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

Section 18. Inspector General

It is the duty of every officer, employee, department, agency, contractor, subcontractor, developer and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the City’s Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code of Chicago. The Owner understands and will abide by all provisions of Chapter 2-56 of the Municipal Code of Chicago.

Section 19. Waste Ordinance Provisions

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In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, the Owner warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the “**Waste Sections**”). During the period while the Regulatory Agreement are executory, the Owner’s, any general contractor’s or any subcontractor’s violation of the Waste Sections, whether or not relating to the performance of the Regulatory Agreement, constitutes a breach of and an event of default under the Regulatory Agreement, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under the Regulatory Agreement, at law or in equity. This Section does not limit the Owner’s, general contractor’s and its subcontractor’s duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Amendments. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Amendments, and may further affect the Owner’s eligibility for future contract awards.

Section 20. Cooperation With Investigations

It shall be the duty of every officer, employee, department, agency, contractor, subcontractor and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the inspector general in any investigation or hearing undertaken pursuant to this chapter. Each department’s premises, equipment, personnel, books, records and papers shall be made available as soon as practicable to the inspector general. Every City contract and every bid, proposal, application or solicitation for a City contract, and every application for certification of eligibility for a City contract or program shall contain a statement that the person understands and will abide by all provisions of this Section.

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CITY:

CITY OF CHICAGO, ILLINOIS by and through its Department of Housing

By: Marisa Novara
Marisa Novara, Commissioner

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

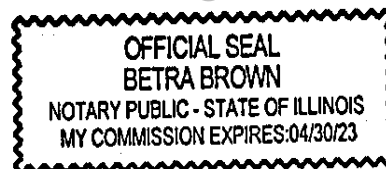
I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT Marisa Novara, personally known to me to be the Commissioner of the Department of Housing of the City of Chicago, Illinois (the "City") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Commissioner, s/he signed and delivered the said instrument pursuant to authority, as his/her free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 16 day of December 2020.

Betra Brown

Notary Public

(SEAL)



My Commission Expires April 30, 2023

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EXHIBIT A

Legal Descriptions of Premises:

PARCEL 1:

LOT 2 (EXCEPT THAT PART THEREOF TAKEN FOR WIDENING ASHLAND AVENUE) AND ALL OF LOTS 3, 4 AND 5 IN LAFLIN AND MATHER'S SUBDIVISION OF THE NORTH PART OF BLOCK "D" IN THE SOUTHWEST CORNER OF THE SOUTHWEST 1/4 OF SECTION 8, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, SOMETIMES CALLED BLOCK "D" IN WRIGHT'S ADDITION TO CHICAGO AND BEING IN THE SOUTH PART OF LOT 4 IN THE CIRCUIT COURT PARTITION OF THE SOUTHWEST 1/4 OF SECTION 8 AFORESAID IN COOK COUNTY, ILLINOIS.

For informational purposes only:

Commonly known as 1533 West Warren Boulevard, Chicago, IL 60607;

PIN Nos. 17-08-332-001, 17-08-332-002, 17-08-332-003 and 17-08-332-004.

PARCEL 2:

THAT PART OF LOT 4 IN CIRCUIT COURT PARTITION OF THE SOUTHWEST 1/4 OF SECTION 8, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING THE INTERSECTION OF THE EAST LINE OF N. ASHLAND AVENUE AS WIDENED, BEING A LINE 67.00 FEET, AS MEASURED AT RIGHT ANGLES, EAST OF AND PARALLEL WITH THE WEST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 8, WITH THE NORTH LINE OF W. MADISON STREET AS OCCUPIED, BEING A LINE 40.00 FEET, AS MEASURED AT RIGHT ANGLES, NORTH OF AND PARALLEL WITH THE SOUTH LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 8; THENCE NORTH 01 DEGREES 41 MINUTES 34 SECONDS WEST ALONG SAID EAST LINE OF N. ASHLAND AVENUE AS WIDENED, A DISTANCE OF 126.00 FEET TO THE SOUTH LINE OF THE 14.00 FOOT WIDE PUBLIC ALLEY; THENCE NORTH 88 DEGREES 25 MINUTES 28 SECONDS EAST ALONG SAID SOUTH LINE OF THE 14.00 FOOT WIDE PUBLIC ALLEY, A DISTANCE OF 33.00 FEET; THENCE SOUTH 01 DEGREES 41 MINUTES 34 SECONDS EAST PARALLEL WITH SAID EAST LINE OF N. ASHLAND AVENUE AS WIDENED, A DISTANCE OF 126.00 FEET TO SAID NORTH LINE OF W. MADISON STREET AS OCCUPIED; THENCE SOUTH 88 DEGREES 25 MINUTES 28 SECONDS WEST ALONG SAID LAST DESCRIBED LINE, A DISTANCE OF 33.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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PARCEL 3:

THAT PART OF LOT 4 IN CIRCUIT COURT PARTITION OF THE SOUTHWEST 1/4 OF SECTION 8, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE EAST LINE OF N. ASHLAND AVENUE AS WIDENED, BEING A LINE 67.00 FEET, AS MEASURED AT RIGHT ANGLES, EAST OF AND PARALLEL WITH THE WEST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 8, WITH THE NORTH LINE OF W. MADISON STREET AS OCCUPIED, BEING A LINE 40.00 FEET, AS MEASURED AT RIGHT ANGLES, NORTH OF AND PARALLEL WITH THE SOUTH LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 8; THENCE NORTH 88 DEGREES 25 MINUTES 28 SECONDS EAST ALONG SAID NORTH LINE OF MADISON STREET AS OCCUPIED, A DISTANCE OF 35.00 FEET TO A POINT OF BEGINNING OF THE LAND HEREIN DESCRIBED; THENCE NORTH 01 DEGREES 41 MINUTES 34 SECONDS WEST PARALLEL WITH SAID EAST LINE OF N. ASHLAND AVENUE AS WIDENED, A DISTANCE OF 126.00 FEET TO THE SOUTH LINE OF THE 14.00 FOOT WIDE PUBLIC ALLEY; THENCE NORTH 88 DEGREES 25 MINUTES 28 SECONDS EAST ALONG SAID SOUTH LINE OF THE 14.00 FOOT WIDE PUBLIC ALLEY, A DISTANCE OF 50.00 FEET; THENCE SOUTH 01 DEGREES 41 MINUTES 34 SECONDS EAST PARALLEL WITH SAID EAST LINE OF N. ASHLAND AVENUE AS WIDENED, A DISTANCE OF 126.00 FEET TO SAID NORTH LINE OF W. MADISON STREET AS OCCUPIED; THENCE SOUTH 88 DEGREES 25 MINUTES 28 SECONDS WEST ALONG SAID LAST DESCRIBED LINE, A DISTANCE OF 50.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

For informational purposes only:

Parcels 2, and 3 above are commonly known as 3 N. Ashland Avenue and 11 N. Ashland Avenue, Chicago, IL 60607;

PIN Nos. 17-08-332-008, 17-08-332-011 and 17-08-332-012.

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EXHIBIT B - AMENDED

II. ADDITIONAL REPRESENTATIONS AND COVENANTS OF BORROWER.

1. Twenty-Six (26) of the units in the Project are HOME Units. All of the HOME Units are restricted to occupancy by 60% Families as set forth and defined in Section 2.12 hereof, and the rent for sixteen (16) of the twenty-six (26) HOME Units shall not exceed the rent restrictions set forth in Section 2.7 hereof. In addition to such restrictions, the remaining ten (10) of the HOME Units shall be occupied by Very Low-Income Families (the "50% Units"), and the rent for such 50% Units shall not exceed the Low HOME Rents as defined in Section 2.8 hereof.

2. (a) The Project shall consist of the following unit configuration with the following initial rents:

<u>Number of Bedrooms</u>	<u>Number of Units</u>	<u>Income Restriction</u>	<u>Initial Rent</u>
Studio	1	30%	\$868.00 with 811 Subsidy
1-Bedroom	11	30%	\$918 with 811 Subsidy
1-Bedroom	3	30%	\$1,477.00 with PRA
2 Bedroom	1	30%	\$1,711.00 with PRA
1-Bedroom	4	50%	\$1,477.00 with PRA
Studio	2	60%	\$806
Studio	3	50%	\$987 with PRA
1-Bedroom	17	60%	\$852
1-Bedroom	8	60%	\$1,477 with PRA
2 Bedroom	4	60%	\$1,019
2 Bedroom	6	60%	\$1,711 with PRA
1-Bedroom	15	Unrestricted	\$1,500 (estimate)

(b) The HOME Units shall consist initially of the following unit configuration for Low-Income Families, Very Low-Income Families and Very, Very Low-Income Families with the following initial rents:

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<u>Number of Bedrooms</u>	<u>Number of Units</u>	<u>Income Restriction</u>	<u>Initial Rent</u>
1 Bedroom	3	30%	\$1,477.00 with PRA
1 Bedroom	3	50%	\$1,477.00 with PRA
Studio	5	60%	\$806
1 Bedroom	15	60%	\$852

Each of the HOME Units which are restricted to Low-Income Families shall be deemed to be fixed units (the "60% Fixed Units").

<u>Number of Bedrooms</u>	<u>Unit Numbers for Initial 60% Fixed Units</u>
Studio	205, 505
1 bedroom	208, 210, 211, 303, 308, 309, 404, 409, 503, 506, 510, 602, 604, 611
2 bedrooms	0
3 bedrooms	0
4 bedrooms	0
5 bedrooms	0

Each of the HOME Units which are restricted to Very-Low Income Families shall be deemed to be fixed units (the "50% Fixed Units").

<u>Number of Bedrooms</u>	<u>Unit Numbers for Initial 50% Fixed Units</u>
1 Bedroom	207, 301, 306, 402, 410, 601, 706
Studio	305, 405, 705

(e) Utilities for the property are paid for by the tenant. The current allowance for utilities for the tenants calculated by the Borrower (the "Utility Allowance") is as follows:

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<u>No. of Bedroom Units</u>	<u>Utility Allowance</u>
Studio	\$38
1 Bedroom	\$52
2 Bedroom	\$66

No changes may be made to the Utility Allowance without the prior written consent of DPD. The Borrower shall annually submit the amount of Utility Allowance proposed for the review and approval of DPD.

(f) The principal amount of the Loan (i.e., \$4,250,000) divided by the total number of HOME Units (i.e., 26) equals \$163,461.54 per each such unit, which is greater than the minimum per-unit requirement of 24 C.F.R. Section 92.205(c) (i.e., \$1,000 per unit).

(g) The product of the total number of HOME Units multiplied by the applicable maximum per-unit subsidy provided in 24 C.F.R. Section 92.250(a) (i.e., \$ _____), as shown below, is greater than the principal amount of the Loan (i.e., \$4,250,000):

<u>No. of Bedrooms</u>	<u>No. of Units</u>	<u>Maximum Subsidy Non- Elevator Building</u>	<u>Maximum Subsidy Elevator Building</u>	<u>Product</u>
Studios	5		\$147,033	\$ 735,165
1 bedroom	21		\$168,600	\$3,540,600
2 bedroom				
3 bedroom				
4 + bedroom				
			TOTAL:	\$4,275,765

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3. Prevailing Wage Rates. (a) The applicable provisions are set forth in detail in Form HUD-4010 and the U.S. Secretary of Labor's wage determination, which are attached hereto as Exhibits E and F and hereby made a part hereof. Such wage determination is based upon the applicable wages and fringe benefits found to be prevailing as of the date hereof. If construction on the Project shall not have commenced within 90 days following the date hereof, the wage determination attached hereto may be superseded by a subsequent determination. If construction on the Project shall not have commenced within 85 days following the date hereof, the Borrower shall so inform the City by such 85th day, and the City shall thereafter inform the Borrower by the 90th day following the date hereof as to whether a subsequent wage determination shall apply to the Project. If a subsequent wage determination shall apply to the Project, the Borrower agrees to comply with the City in causing an amendment to this Regulatory Agreement to be executed and recorded attaching such subsequent wage determination hereto.

(b) The Borrower shall comply with the provisions of Form HUD-4010 and the applicable wage determination, and shall ensure that Form HUD-4010 and the U.S. Secretary of Labor's wage determination are attached to and incorporated in all bid specifications, the Construction Contract with the General Contractor and subcontracts with respect to the Project, to the extent and as required in Form HUD-4010 (including, if applicable, amending the Construction Contract, if executed prior to the date hereof, and causing to be amended all existing bid specifications and subcontracts).

(c) In the event of any issues or disputes arising with respect to amounts due as wages to be paid in connection with the Project and/or as liquidated damages under the Contract Work Hours and Safety Standards Act, the Borrower agrees to execute, or cause the applicable contractor or subcontractor to execute, a Labor Standards Deposit Agreement (in the form attached hereto as Exhibit G or such other form as shall be specified by the City) and to deposit, or cause to be deposited, funds in the amount designated by the City, to be held and disbursed as specified in such Labor Standards Deposit Agreement.