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This instrument was prepared by:
and after recording, should be returned to:

Pamela Cash
Senior Assistant General Counsel
Chicago Housing Authority
Office of the General Counsel
60 E. Van Buren St., 12th Floor
Chicago, Illinois 60605



Doc# 2130029039 Fee \$88.00

RHSP FEE:\$9.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 10/27/2021 02:14 PM PG: 1 OF 19

Property of Cook County Clerk's Office

CONTROL AGREEMENT

BETWEEN

CHICAGO HOUSING AUTHORITY

AND

LATHROP HOMES II, LP

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CHA CONTROL AGREEMENT

THIS CHA CONTROL AGREEMENT (this “**Agreement**”), dated and effective as of October 26, 2021, is made by and between **Chicago Housing Authority**, an Illinois municipal corporation (the “**CHA**”) and **Lathrop Homes IB, LP**, an Illinois limited partnership (“**Owner**”).

RECITALS

A. CHA is the owner of a public housing development commonly known as Julia C. Lathrop Homes (the “**Lathrop Homes**”) and is currently designated by the United States Department of Housing and Urban Development (“**HUD**”) as PIC Development No. IL002022000. Owner intends to develop a multi-family residential rental development consisting of a total of seventy-four (74) rental dwelling units in two buildings of which twenty-eight (28) units are RAD Units (as defined in Recital C) and related improvements to be known as Lathrop Homes IB (the “**Development**”) on a portion of Lathrop Homes located on a leasehold estate in the land described on Exhibit A attached hereto and made a part hereof (the “**Land**”). The buildings on the Land are hereinafter collectively referred to as the “**Buildings**”.

B. The Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011; 42 U.S.C. 1437f(o)(13)) (as heretofore or hereafter amended, the “**RAD Act**”), authorized the Rental Assistance Demonstration (“**RAD**”) program (the “**RAD Program**”), which for RAD projects using project-based voucher (“**PBV**”) assistance follow 24 CFR 983 (as heretofore or hereafter amended, the “**PBV Regulations**”). Subsequently, HUD issued PIH Notice 2012-32 published on July 26, 2012, and amended by PIH 2012-32 Rev. 2 on June 10, 2015, Rev 3 on January 12, 2017 and Rev 4 on September 5, 2019 (the “**RAD Notice**”). Under the RAD Program, public housing authorities can convert funding for public housing units to PBV assistance.

C. CHA desires that the Development be redeveloped into a mixed-income development. To that end, CHA has applied to HUD to convert twenty-eight (28) public housing into RAD PBV units (“**RAD Units**”) for Lathrop IB.

D. The 74-unit Development will consist of forty-three (43) units leased by the Owner to persons and families who qualify as eligible tenants for Low-Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended, of which twenty-eight (28) will be RAD Units and thirty-one (31) market rate units. The Owner has designated the addresses listed on Exhibit C, attached hereto and made a part hereof, as the initial RAD Units, however, during the term of the RAD HAP Contract (hereinafter defined), the RAD Units will be allowed to float among all of the units in the Development, in a manner that complies with All Applicable RAD Requirements (hereinafter defined).

E. CHA has submitted to HUD, a RAD application and financing plan, including the Owner’s plan to finance the acquisition, development and rehabilitation of the Development using a combination of public and private sources, which have been approved by HUD. HUD and CHA have entered into a Rental Conversion Commitment (“**RCC**”) for the RAD Units as provided in

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the RAD Act, and HUD has issued, and CHA has accepted, a Commitment to Enter into a Housing Assistance Payments Contract (“CHAP”) for the RAD Units.

F. In connection with the conversion of the Development, concurrently herewith, among other things: (1) CHA is entering into a ninety-nine (99) year ground lease with Bickerdike Redevelopment Corporation, an Illinois not for profit corporation (“Bickerdike”) and Heartland Housing, Inc., an Illinois not for profit corporation (“Heartland”), as initial tenants, to create a leasehold estate in the land (the “**Ground Lease**”) and Bickerdike and Heartland are concurrently assigning their entire leasehold estate under the Ground Lease to Owner; (2) CHA and Owner are entering into a Rental Assistance Demonstration Use Agreement (the “**RAD Use Agreement**”) with the Secretary of Housing and Urban Development (the “**Secretary**”) with respect to the RAD Units; and (3) CHA, in its capacity as contract administrator (in such capacity, the “**HAP Contract Administrator**”), and Owner are entering into a Project-Based Voucher Rental Assistance Demonstration Housing Assistance Payments Contract with respect to the RAD Units (as it may hereafter be amended, the “**RAD HAP Contract**”).

G. Following the execution of this Agreement, CHA shall be in control of and will be performing various activities and providing various services in connection with the RAD Units and the Development, as more particularly described on **Exhibit B** attached hereto and made a part hereof.

H. It is a condition of HUD’s approval of the redevelopment of the Development, as described above, and All Applicable RAD Requirements, that CHA preserve its interest in the Development, which is being accomplished, in part, by the provisions of this Agreement. It is a condition of CHA’s willingness to proceed with that redevelopment that the Owner enter into this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. **Recitals.** The foregoing preambles and recitations are, by this reference, incorporated into the body of this Agreement.

2. **Duration of this Agreement.** The provisions of this Agreement shall remain in effect for so long as a RAD HAP Contract, or a similar HAP Contract, is in effect with respect to the RAD Units or any of them. The Owner acknowledges and agrees that, under the RAD Act, upon the expiration of the initial RAD HAP Contract, and each renewal RAD HAP Contract, the Owner must accept a renewal of such contract, subject to the terms and conditions applicable at the time of renewal and the availability of appropriations each year for such renewal.

3. **Additional Definitions.**

“**ACC**” shall mean the Consolidated Annual Contributions Contract(s), including all relevant amendments, pursuant to which HUD provides funding to the CHA for the administration, management and operation of the Section 8 Program including the converting RAD units within the Development.

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“**Administrative Plan**” shall mean Chicago Housing Authority’s FY2020 Administrative Plan for the Housing Choice Program, as may be amended from time to time.

“**All Applicable RAD Requirements**” means all requirements of the RAD Program that are applicable to CHA with respect to the RAD Units or to the Owner from time to time of the RAD Units, including, without limitation, the requirements under the RAD Act, the PBV Regulations, the RAD Use Agreement, the RAD HAP Contract, and all related HUD directives and administrative requirements, including, without limitation, those contained in the RAD Notice, except to the extent HUD has granted waivers of those requirements, the ACC, the Administrative Plan, the Gautreaux Court Orders, and the MTW Agreement.

“**City**” mean the City of Chicago, an Illinois municipal corporation.

“**Development**” shall have the meaning set forth in the Recitals.

“**First Mortgage Lender**” shall mean (i) Bank of America, N.A., a national banking association, its successors and/or assigns for so long as its construction loan to Owner is outstanding and (ii) Illinois Housing Development Authority (“IHDA”), a body politic and corporate established pursuant to the Illinois Housing Development Act, its successors and/or assigns for so long as its permanent loan to Owner is outstanding.

“**Gautreaux Court Orders**” shall mean applicable orders of the United States District Court for the Northern District of Illinois relating to Gautreaux vs. CHA et al., Case Nos. 66 C 1459 and 1460 (Note: Gautreaux v. CHA et. al., No. 66 C 1460, and the consent decree thereunder was terminated in 1997).

“**General Contractor**” shall mean (i) The Bowa Group Inc., an Illinois corporation d/b/a Bowa Construction, relating to rehabilitation of the improvements, and (ii) Abbey Paving and Sealcoating Inc., an Illinois corporation d/b/a Abbey Paving Co. Inc. relating to the installation of a new traffic signal and other street improvements at the intersection of North Leavitt and West Diversey Parkway.

“**Governing Document**” shall mean that certain Amended and Restated Agreement of Limited Partnership of Owner by and between Lathrop Homes IB GP, LLC, an Illinois limited liability company, as general partner (“General Partner”) and the Investor.

“**Investor**” shall mean collectively, Bank of America, N.A., a national banking association, its successors and/or assigns, as the investor limited partner and Banc of America CDC Special Holding Company Inc., a North Carolina corporation, as the special limited partner.

“**MTW Agreement**” shall mean that certain Amended and Restated Moving to Work Demonstration Agreement between CHA and HUD, dated June 26, 2008, and the 1st through 8th amendments to the Amended and Restated Moving to Work Demonstration Agreement, as may be hereinafter amended.

“**Qualified RAD Units**” shall have the meaning set forth in Section 12(b).

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“**RAD PILOT Payment**” shall have the meaning set forth in Section 12(b).

“**RAD Units**” shall have the meaning set forth in the Recitals

“**Subordinate Loan**” shall mean that certain Chicago Housing Authority Loan Agreement between CHA and Owner dated as of October 26, 2021 in the amount of Nine Million and no/ 100 Dollars (\$8,950,000.00).

4. Binding on Subsequent Owners. The provisions of this Agreement shall be binding upon the Owner and its successors and assigns, including each owner from time to time of the Development or any portion thereof.

5. General Obligations. The Owner acknowledges and agrees that:

- (a) The Owner is obligated to abide by and perform All Applicable RAD Requirements which pertain to the owner of any RAD Unit.
- (b) CHA will maintain and administer the waiting list for the RAD Units. No RAD Unit may be leased to a tenant or tenants other than those that CHA refers to the Owner or the Owner’s property manager in accordance with All Applicable RAD Requirements.
- (c) CHA has approved Related Management Company, a New York limited partnership, as the property manager for the Development. No other person or entity may act as property manager for the Development without the prior written consent of CHA.
- (d) The Owner is obligated to maintain each of the RAD Units in a condition that complies with HUD’s Uniform Property Compliance Standards (“UPCS”) or such other inspection standards acceptable to CHA and HUD, and that CHA, in its capacity as HAP Contract Administrator, has the right to inspect the RAD Units.

6. Reserves.

- (a) **Replacement Reserve.** The Owner is obligated under the RAD HAP Contract and the Governing Document to make periodic deposits into a reserve fund for replacements (the “**Replacement Reserve**”) with respect to the Development. No funds may be withdrawn from the Replacement Reserve without the prior written consent of CHA, which consent shall not be unreasonably withheld or delayed. In the event of the disposition of the Development or the dissolution of the Owner, any funds in the Replacement Reserve shall be transferred to the new owner or otherwise continue to be used in connection with the Development in accordance with All Applicable RAD Requirements.
- (b) **Operating Deficit Reserve.** In accordance with Section 6.11B of the Governing Document, the Owner shall establish and maintain an operating reserve for operating

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deficits (the "**Operating Deficit Reserve**") in the initial amount of \$343,360.00. The Operating Deficit Reserve will be established and owned by the Owner. The Owner covenants to CHA to use all withdrawals from the Operating Deficit Reserve Account only for purposes relating to the Development, which may include the repayment of the Subordinate Loan upon disposition of the Development or expiration of the RAD HAP Contract.

7. Disposition. The Owner shall not demolish or dispose of its interest in the Development or the RAD Units (including, without limitation, by conveyance or lease not in the ordinary course of business of the RAD Units), without the prior written approval of CHA and HUD and except in accordance with All Applicable RAD Requirements.

8. Transfers of Interests in Owner. The Owner shall not, without prior written approval of CHA, make any transfers requiring HUD approval pursuant to Section 21 and Section 37 of the RAD HAP Contract.

9. Non-Discrimination and Other Federal Requirements. The Owner shall comply with all applicable requirements of the following, as the same may be amended from time to time:

(a) the Fair Housing Act, 42 U.S.C. 3601-19, and regulations issued thereunder, 24 CFR Part 100; Executive Order 11063 (Equal Opportunity in Housing) and regulations issued thereunder, 24 CFR Part 107; the fair housing poster regulations, 24 CFR Part 110, and applicable advertising guidelines;

(b) Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d, and regulations issued thereunder relating to non-discrimination in housing, 24 CFR Part 1;

(c) the Age Discrimination Act of 1975, 42 U.S.C. 6101-07, and regulations issued thereunder, 24 CFR Part 146;

(d) Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, and regulations issued thereunder, 24 CFR Part 8; the Americans with Disabilities Act, 42 U.S.C. 12181-89, and regulations issued thereunder, 28 CFR Part 36;

(e) Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, and its implementing regulations at 24 CFR Part 135; and

(f) Wage rates under the Davis-Bacon Act (40 U.S.C. § 276a *et seq.*) to the extent applicable.

10. Financial Statements and Reports and Maintenance of Records.

(a) **Quarterly Statements.** Not later than ninety (90) days after the end of each successive quarterly period, commencing with the calendar quarter in which the first RAD Unit is available for occupancy, the Owner shall deliver to CHA itemized statements of income and expenses, prepared on an accrual basis, based on the Owner's general accounting records, in form substantially comparable to "Statement of Profit and Loss" (formerly Form HUD-92410), or any successor thereto, certified by the general partner/manager/chief financial officer of the Owner,

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for the quarterly period and from the beginning of the calendar year to the end of such quarterly period. Such quarterly statements shall be supplemented by such additional quarterly financial information as may be reasonably requested by CHA.

(b) **Annual Financial Statements.** Not later than one hundred and twenty (120) days after the end of each calendar year, the Owner shall deliver to CHA a copy of the independently audited financial statements of the Owner for such year and the period then ended, prepared in accordance with generally accepted accounting principles and accompanied by the report of independent public accountants thereon, together with a copy of any additional financial statements or reports delivered by the Owner to its partners/members. If, after thirty (30) days written notice from CHA, the Owner shall fail to deliver such financial statements to CHA, CHA shall have the right to retain an independent auditor to conduct an audit of the financial statements of the Owner and to charge the reasonable cost thereof to the Owner.

(c) **Maintenance of Records.** CHA shall remain responsible for maintaining sufficient records, and taking necessary action(s), to assure HUD that all Authority obligations to HUD under All Applicable RAD Requirements are fulfilled. However, where the ACC or other All Applicable RAD Requirements require CHA to furnish reports, records, statements, certificates, documents or other information to HUD regarding the RAD Units, the Owner shall furnish such reports, records, statements, certificates, documents or other information to CHA or otherwise satisfy CHA's requests with respect to such matters, upon reasonable notice. Nothing contained in this Section shall be construed to relieve the Owner of its obligation to maintain its own books and records. It shall be the responsibility of the Owner to maintain sufficient records, and to take necessary action(s), to assure compliance with all obligations relating to the RAD Units under All Applicable RAD Requirements.

11. CHA Asset Management Fee. The Owner acknowledges and agrees that the services and activities provided by CHA in general, as a public housing authority, and in neighborhoods surrounding the Development (such as local government collaboration, community engagement, resident services and programming, cooperation with Chicago police and general office functions and support) will benefit the Development. Accordingly, the Owner agrees to pay to CHA, on an annual basis, a fee (the "**CHA Asset Management Fee**") as provided in this Section. The amount of the fee shall initially be the sum of Five Hundred fifteen and No/Dollars (\$515.00) per RAD Unit for a total of Fourteen Thousand Four Hundred Twenty and No/Dollars (\$14,420) and shall be cumulative to the extent not paid in full in any year. The initial installment of the fee and all amounts accrued shall be due and payable at the earlier to occur of (i) conversion to permanent financing or (ii) six (6) months after issuance of the Certificate of Substantial completion, with subsequent installments due on each anniversary of this Agreement. The fee shall be increased by three percent (3%) per annum; provided however, to the extent the activities or services in Exhibit B increase, the parties will renegotiate the amount of the fee to be paid.

12. Real Estate Tax Abatement/PILOT Payment.

(a) CHA shall submit such documents as may be required of CHA by the county clerk to enable the RAD Units to qualify for an abatement of real estate taxes, in accordance with the Illinois Revenue Code, 35 ILCS 200/18-177, as may be amended; provided that CHA's Obligation

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shall be conditioned upon the following conditions being satisfied: (i) the timely submission to CHA by the Owner of all required documentation; (ii) the maintenance by Owner of the RAD Units in the condition required to qualify for such abatement; (iii) the Owner is not ineligible to receive such abatement, or the benefits thereof; and (iv) the Owner performs or complies with all other requirements within the control of the Owner of the RAD Units in order for the RAD Units to be eligible for such abatement.

(b) The Owner acknowledges the City and CHA have agreed that the RAD Units fall under the scope of the Consolidated Cooperation Agreement dated June 22, 1959, and as further amended by Amendment No. 2 to the Consolidated Cooperation Agreement dated February 10, 1969. For the public services and facilities provided by the City to the RAD Units which qualify for an abatement pursuant to the above Section 12(a) (the “**Qualified RAD Units**”), the Owner shall make an annual payment to CHA to be applied to CHA’s payment in lieu of taxes (the “**RAD PILOT Payment**”) for the Qualified RAD Units. The Owner shall make an initial RAD PILOT Payment in the amount of Two Hundred Eighty-Five and No/100 Dollars (\$285.00) per unit for each Qualified RAD Unit after construction completion of such RAD Units in the Development and within thirty (30) days upon receipt of the billing invoice provided by CHA for the Qualified RAD Units. Subsequent to the initial RAD PILOT Payment, and for every year following thereafter, CHA shall provide the Owner with an annual bill for the RAD PILOT Payment, which is required to be paid by Owner within thirty (30) business days upon receipt of the bill. If in any given year, the amount due by CHA for the payment of lieu of taxes for the Qualified RAD Units exceeds the amount of the RAD PILOT Payment made by Owner for that year, CHA shall notify the Owner and provide an adjusted bill for the increased difference between the payment made by Owner and the actual amount due by CHA, which Owner shall pay within five (5) days of receipt of the adjusted bill.

13. Owner Default and Remedies.

(a) **Default.** A default by the Owner under this Agreement shall occur if the Owner violates, breaches or fails to comply in any material respect with any provision of, or obligation under this Agreement or All Applicable RAD Requirements. A default by the Owner that is attributable to an action or omission of its property manager shall be deemed a default by the Owner for purposes of this Section.

(b) **Notice and Cure.** Upon a determination by CHA that a default by the Owner has occurred, CHA shall notify the Owner, the First Mortgage Lender, and the Investor of: (1) the nature of the default; (2) the actions required to be taken by the Owner, the First Mortgage Lender and/or the Investor to cure the default; and (3) the time (no less than thirty (30) days) within which the Owner, the First Mortgage Lender and/or the Investor shall respond with a showing that all required actions have been taken; provided that if the default by its nature cannot be cured within the aforesaid thirty (30) day period, the Owner, the First Mortgage Lender and/or the Investor may have additional time, with CHA's written approval, as may be reasonable given the circumstances to effect a cure of the default. CHA reserves the right to monitor the Owner's, the First Mortgage Lender's and/or the Investor's efforts to cure; and further reserves the right to reduce and/or terminate the time period allowed herein (but in no event less than thirty (30) days) where further actions to cure have not been made by the Owner, the First Mortgage Lender and/or the Investor. The First Mortgage Lender and the Investor each has the right, but not the obligation, to cure any

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default pursuant to the terms of this Section 13 (b). Notwithstanding the foregoing, CHA rights granted herein shall be subject to All Applicable RAD Requirements.

(c) **Remedies.** If the Owner, the First Mortgage Lender and/or the Investor fail to respond or take corrective action to the satisfaction of CHA as provided herein, CHA shall have the right to exercise any remedy available to it by reason of such default, including without limitation, to seek appropriate relief in any court having jurisdiction, including but not limited to specific performance, injunctive relief, or the appointment of a receiver to take over and operate the RAD Units in accordance with the terms of this Agreement without prejudice to the right of CHA, alternatively or in addition to the foregoing, to exercise any remedy available to it, if any, if the nature of such default hereunder, would constitute a default under agreement or document to which CHA is a party. Notwithstanding the foregoing, CHA's remedies herein shall be subject to All Applicable RAD Requirements.

14. Subordinate to RAD Use Agreement. This Agreement is subject and subordinate to the RAD Use Agreement, the Ground Lease and the First Mortgage Lender loan documents, the Extended Use Agreement by and between IHDA and Owner and the Regulatory Agreement by and between IHDA and Owner.

15. Miscellaneous.

(a) **Binding Agreement.** This Agreement shall be binding upon and inure to the benefit of the successors, assigns, and heirs of each of the parties; provided, however, that the Owner may not assign any of its interest in this Agreement without the prior written consent of CHA.

(b) **Entire Agreement.** This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes any prior agreement or understanding between among them with respect thereto.

(c) **Amendments.** Subject to All Applicable RAD Requirements, this Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties and approved in writing by HUD.

(d) **No Waiver.** No delay or omission by either party in exercising any right or remedy available hereunder shall impair any such right or remedy or constitute a waiver thereof in the event of any subsequent occasion giving rise to such right or availability of remedy, whether of a similar or dissimilar nature.

(e) **Notices.** Any notice or other communication given or made pursuant to this Agreement shall be in writing and shall be deemed given if (i) delivered personally or by courier, (ii) sent by overnight express delivery, or (iii) mailed by certified mail, return receipt requested, to the respective address set forth below (or at such other address as shall be specified by the party by like notice given to the other party).

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If to CHA:

Chicago Housing Authority
60 E. Van Buren St. 12th Floor
Chicago, Illinois 60605
Attention: Chief Executive Officer

with a copy to:

Chicago Housing Authority
Office of the General Counsel
60 E. Van Buren St., 12th Floor
Chicago, Illinois 60605
Attention: Chief Legal Officer

If to the Owner:

Lathrop Homes IB, LP
c/o Related Lathrop LLC
350 W. Hubbard Street, Suite 300
Chicago, Illinois 60654
Attention: Vice President-Affordable Housing

and to:

Lathrop Homes IB, LP
c/o Bickerdike Lathrop, LLC
2550 W. North Avenue
Chicago, Illinois 60647
Attention: Chief Executive Officer

and to:

Lathrop Homes IB, LP
c/o Heartland Lathrop LLC
208 S. LaSalle Street, Suite 1300
Chicago, Illinois 60604
Attention: Executive Director

with a copy to: Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, Illinois 60605
Attention: William Skalitzky

If to Mortgage Lender:

Bank of America, N.A.
135 S. LaSalle Street
Suite 611
Chicago, Illinois 60603
Attention: Zammy Arcos

with copy to:

Bank of America, N.A.
FL-400-06-10
101 East Kennedy Blvd.

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Tampa, Florida 33602
Attention: Loan Administration

with copy to: Holland & Knight LLP
31 West 52nd Street
New York, New York, 10019
Attention: Kathleen M. Furey, Esq.

and to: Illinois Housing Development Authority
111 East Wacker Drive, Suite 1000
Chicago, Illinois 60601
Attention: Director, Multifamily Financing

with a copy to: Illinois Housing Development Authority
111 East Wacker Drive, Suite 1000
Chicago, Illinois 60601
Attention: General Counsel

If to Investor: Bank of America, N.A.
MD4-375-03-02
100 S. Charles Street
Baltimore, MD 21201
Attention: Jim McNicholas

with copy to: Holland & Knight LLP
10 St. James Avenue
Boston, MA 02116
Attention: Sara C. Heskett, Esq.

All such notices and other communication shall be deemed given on the date of personal or local courier delivery, the delivery to the overnight express delivery service, or deposit in the United States Mail, and shall be deemed to have been received (i) in the case of personal or local courier delivery, on the date of such delivery, (ii) in the case of delivery by overnight express delivery service, on the business day following dispatch, and (iv) in the case of mailing, on the date specified in the return receipt therefor.

(f) **Further Assurances.** Each party shall execute such other and further documents as may be reasonably necessary or proper for the consummation of the transaction contemplated by this Agreement.

(g) **No Personal Liability.** No officer, director, board member, shareholder, partner, employee, agent or other person authorized to act for or on behalf of either party shall be personally liable for any obligation, express or implied, hereunder. The Owner shall look solely to CHA funds that are legally available for such purpose, and, except as provided by law, CHA shall look solely to the Owner, for the satisfaction of any remedy each might have with respect to the other for the other's failure to perform any of its obligations hereunder. Notwithstanding the foregoing, nothing contained herein shall either relieve the Owner or any managing member, manager or

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general partner, shareholder of the Owner from personal liability and responsibility, or limit CHA's rights and remedies against such parties, either at law or in equity: (i) for fraudulent acts; (ii) for insurance proceeds and condemnation awards received by the Owner and not turned over to CHA or used by the Owner for restoration or repair of the RAD Units to the extent required under this Agreement; and (iii) for any rents or other income from the RAD Units received by the Owner after an event of default under this Agreement and not applied to expenses of the RAD Units.

(h) **Neither Party an Agent.** Nothing in this Agreement shall be deemed to appoint either Owner or CHA as an agent for or representative of the other, and neither one shall be authorized to act on behalf of the other with respect to any matters. Neither Owner nor CHA shall have any liability or duty to any person, firm, entity or governmental body for any act of omission or commission, liability, or obligation of the other, whether arising from Owner's or CHA's actions under this Agreement or otherwise.

(i) **Governing Law.** This Agreement shall be governed by and construed in accordance with the law of the State of Illinois applicable to contracts made and to be performed therein.

(j) **Headings; Usage.** All section headings in this Agreement are for convenience of reference only and are not intended to modify the meaning of any section. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter as the identity of the person or persons may require. Where the context admits, the singular forms of terms used herein shall include the plural and the plural shall include the singular.

(k) **Severability.** If any provision of this Agreement or the application of such provision to any person or circumstance shall be held invalid, the remainder of this Agreement, or the application of such provision to any person or circumstance other than those as to which it is held invalid, shall not be affected thereby.

(l) **Counterparts; Execution.** This Agreement may be executed in several counterparts, and all counterparts so executed shall constitute one agreement, binding on all parties hereto.

(m) **No Third Party Beneficiary.** The provisions of this Agreement shall not be construed for the benefit of or as enforceable by any person or entity not a party hereto, with the exception of HUD.

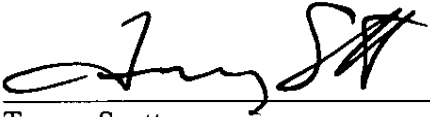
(n) **Amendments to the Governing Document.** The Governing Document may not be amended in any material respect without the prior written consent of CHA.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized signatories as of the date first above written.

AUTHORITY

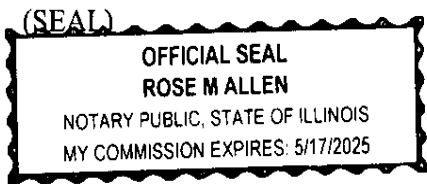
Chicago Housing Authority
an Illinois municipal corporation


By: 
Tracey Scott
Chief Executive Officer

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

I, Rose M. Allen, a Notary Public, in and for the State aforesaid, DO HEREBY CERTIFY that Tracey Scott, the Chief Executive Officer of the Chicago Housing Authority, an Illinois municipal corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Chief Executive Officer, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said municipal corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 24th day of October, 2021.




Notary Public

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LATHROP HOMES IB, LP,
an Illinois limited partnership

By: Lathrop Homes IB GP, LLC,
an Illinois limited liability company,
its general partner

By: Related Lathrop LLC,
an Illinois limited liability company,
its manager

By: LR Development Company LLC,
a Delaware limited liability
company d/b/a Related Midwest
LLC, its sole member

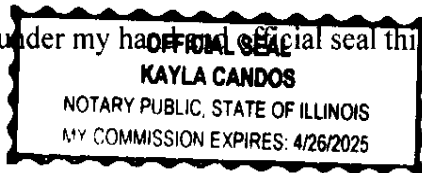
By: 
Jacques Sandberg, Vice President


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 Jacques Sandberg, personally known to me to be the Vice President of LR Development Company LLC, a Delaware limited liability company d/b/a Related Midwest LLC (“LR”), which is the sole member of Related Lathrop LLC, an Illinois limited liability company (the “Manager”), which is the manager and a member of Lathrop Homes IB GP, LLC, an Illinois limited liability company (the “General Partner”), which is the general partner of Lathrop Homes IB, LP, an Illinois limited partnership (the “Partnership”), 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 severally acknowledged that as such officer, [she/he] signed and delivered the said instrument, pursuant to authority given by LR on behalf of the Manager and by the other members of the General Partner as the free and voluntary act of such person, and as the free and voluntary act and deed of the General Partner and the Partnership for the uses and purposes therein set forth.

Given under my ~~hand~~ official seal this 21 day of October, 2021.

(Seal)





(Notary Public)

My commission expires 4-26, 20 25.

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EXHIBIT A

PARCEL 1:

THE LEASEHOLD ESTATE CREATED BY THE INSTRUMENT HEREIN REFERRED TO AS THE LEASE, EXECUTED BY CHICAGO HOUSING AUTHORITY, AN ILLINOIS MUNICIPAL CORPORATION, AS LESSOR, AND BICKERDIKE REDEVELOPMENT CORPORATION, AN ILLINOIS NOT-FOR-PROFIT CORPORATION AND HEARTLAND HOUSING, INC., AN ILLINOIS NOT-FOR-PROFIT CORPORATION AS LESSEE, DATED OCTOBER 26, 2021, WHICH LEASE, RECORDED CONCURRENTLY HEREWITH, AND ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF GROUND LEASE FROM BICKERDIKE REDEVELOPMENT CORPORATION, AN ILLINOIS NOT-FOR-PROFIT CORPORATION AND HEARTLAND HOUSING, INC., AN ILLINOIS NOT-FOR-PROFIT CORPORATION TO LATHROP HOMES IB, LP, AN ILLINOIS LIMITED PARTNERSHIP DATED OCTOBER 26, 2021, RECORDED CONCURRENTLY HEREWITH, WHICH LEASE DEMISES THE FOLLOWING DESCRIBED LAND FOR A TERM OF 99 YEARS BEGINNING OCTOBER 26, 2021, AND ENDING OCTOBER 25, 2120:

Tract A:

THAT PART OF LOTS 3 AND 4, IN DIVERSEY CLYBOURN INDUSTRIAL AND COMMERCIAL DISTRICT, BEING AN OWNER'S DIVISION IN THE NORTHWEST QUARTER OF SECTION 30, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MAY 17, 1929 AS DOCUMENT NUMBER 10373658, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF DIVERSEY PARKWAY WITH THE SOUTHWESTERLY LINE OF N. CLYBOURN AVENUE, AS DEEDED TO THE CITY OF CHICAGO FOR STREET PURPOSES, RECORDED MAY 25, 1937 AS DOCUMENT NO. 12002816; THENCE SOUTH 88 DEGREES 39 MINUTES 10 SECONDS WEST ALONG THE NORTH LINE OF SAID DIVERSEY PARKWAY 212.53 FEET; THENCE NORTH 46 DEGREES 22 MINUTES 01 SECONDS WEST, 422.90 FEET; THENCE NORTH 43 DEGREES 37 MINUTES 59 SECONDS EAST, 150.00 FEET TO THE SOUTHWEST LINE OF SAID N. CLYBOURN AVE.; THENCE NORTH 46 DEGREES 22 MINUTES 01 SECONDS WEST ALONG SAID SOUTHWEST LINE, 183.59 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 46 DEGREES 22 MINUTES 01 SECONDS WEST ALONG SAID SOUTHWEST LINE, 132.49 FEET; THENCE SOUTH 43 DEGREES 36 MINUTES 01 SECONDS WEST, 61.21 FEET; THENCE SOUTH 46 DEGREES 23 MINUTES 48 SECONDS EAST, 27.96 FEET; THENCE SOUTH 43 DEGREES 34 MINUTES 39 SECONDS WEST, 58.67 FEET; THENCE NORTH 46 DEGREES 36 MINUTES 04 SECONDS WEST, 76.44 FEET; THENCE SOUTH 43 DEGREES 35 MINUTES 44 SECONDS WEST 32.25 FEET; THENCE SOUTH 46 DEGREES 22 MINUTES 18 SECONDS EAST 6.00 FEET; THENCE SOUTH 43 DEGREES 38 MINUTES 09 SECONDS WEST, 15.66 FEET; THENCE SOUTH 46 DEGREES 21 MINUTES 53 SECONDS EAST 168.94 FEET; THENCE NORTH 43 DEGREES 34 MINUTES 41 SECONDS EAST, 15.66 FEET; THENCE SOUTH 46 DEGREES 25 MINUTES 18 SECONDS EAST, 6.00 FEET; THENCE NORTH 43 DEGREES 36 MINUTES 13 SECONDS EAST, 152.40 FEET TO THE SOUTHWEST LINE OF SAID N. CLYBOURN AVENUE, AND THE POINT OF BEGINNING, LYING ABOVE AN ELEVATION OF 6.00 FEET CITY OF CHICAGO DATUM, IN COOK COUNTY, ILLINOIS.

For informational purposes only:

Commonly known as 2890-2904 North Clybourn Avenue, Chicago, IL 60618;

PIN No. 14-30-123-009.

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Tract B:

THAT PART OF LOT 12 IN THE SNOW ESTATE SUBDIVISION BY THE SUPERIOR COURT OF COOK COUNTY, ILLINOIS, IN PARTITION OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 30, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 29, 1873, AS DOCUMENT NUMBER 80819, LYING NORTH AND EAST OF THE NORTH BRANCH OF THE CHICAGO RIVER; EXCEPTING THEREFROM THAT PART VACATED BY ORDINANCE RECORDED FEBRUARY 21, 1940 AS DOCUMENT NUMBER 12438633; ALSO EXCEPTING THEREFROM THAT PART DEEDED TO THE CITY OF CHICAGO FOR STREET PURPOSES PER DOCUMENT RECORDED MAY 25, 1937 AS DOCUMENT NUMBER 12002816, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EAST LINE OF N. HOYNE AVENUE AS DEEDED TO THE CITY OF CHICAGO MAY 25, 1937 AS DOCUMENT NUMBER 12002816 AND THE SOUTH LINE OF W. DIVERSEY PARKWAY BEING 40.00 FEET SOUTH OF THE CENTERLINE OF SAID W. DIVERSEY PARKWAY; THENCE NORTH 88 DEGREES 39 MINUTES 10 SECONDS EAST ALONG THE SOUTH RIGHT OF WAY LINE OF W. DIVERSEY PARKWAY 117.64 FEET; THENCE SOUTH 46 DEGREES 16 MINUTES 10 SECONDS EAST ALONG THE SOUTH RIGHT OF WAY LINE 32.67 FEET TO THE WEST LINE OF NORTH DAMEN AVENUE; THENCE SOUTH 1 DEGREE 49 MINUTES 22 SECONDS WEST ALONG SAID WEST LINE 77.74 FEET; THENCE SOUTH 5 DEGREES 15 MINUTES 16 SECONDS WEST ALONG SAID WEST LINE 38.77 FEET; THENCE SOUTH 5 DEGREES 47 MINUTES 19 SECONDS WEST ALONG SAID WEST LINE 54.27 FEET; THENCE SOUTH 88 DEGREES 21 MINUTES 55 SECONDS WEST 113.69 FEET TO THE EAST LINE OF SAID N. HOYNE AVENUE; THENCE NORTH 1 DEGREE 47 MINUTES 55 SECONDS WEST 193.74 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

For informational purposes only:

Commonly known as 2747-2759 North Hoyne Avenue, Chicago, IL 60647;

PIN No. 14-30-302-026.

EXCEPTING THEREFROM ALL BUILDINGS AND IMPROVEMENTS LOCATED, OR TO BE LOCATED AFTER THE DATE OF THE AFORESAID GROUND LEASE, THEREON.

PARCEL 2:

FEE SIMPLE TITLE TO ALL BUILDINGS AND IMPROVEMENTS LOCATED, OR TO BE LOCATED AFTER THE DATE OF THE AFORESAID GROUND LEASE, ON THE LEASEHOLD ESTATE HEREINABOVE DESCRIBED AS PARCEL 1.

PARCEL 3:

NON-EXCLUSIVE EASEMENTS APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 AND PARCEL 2 AS SET FORTH AND DEFINED IN THE DECLARATION OF CROSS ACCESS EASEMENT AND PARKING AGREEMENT FOR THE LATHROP HOMES CAMPUS RECORDED CONCURRENTLY HEREWITH.

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EXHIBIT B CHA PROVIDED SERVICES AND ACTIVITIES

Lathrop Phase IB-28 RAD Units

Service/Activity	CHA Department (Primary)	Estimated Annual Cost*	
Reasonable Accommodation Requests, Grievance Processing, General Legal Support	Legal	\$492	
Supervision and Support for Resident Services Provision at Property	Resident Services	\$1639	
Local Government Collaboration, Community Engagement, Emergency Response/Security Support/Cooperation with Chicago Police Department through existing Intergovernmental Agreement, Camera Monitoring	Property Office/ Asset Management	\$4370	
Program and Financial Monitoring, including waitlist administration, tracking of RAD Units Replacement Reserve deposits and other applicable RAD and PBV compliance items	Property Office/ Asset Management	\$7456	
Information Technology (IT) Support and Yardi maintenance	IT	\$464	
	First Year Annual	\$14,420	yearly
		\$1201.75	monthly

Based on most recent CHA costs in Operating Pro Forma submitted to HUD

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EXHIBIT C DESCRIPTION OF INITIAL RAD UNITS

Units may float but the following mix must be maintained:

Number of Contract Units	Number of Bedrooms	Number of Bathrooms	Contract Rent	Utility Allowance	Gross Rent
15	1	1	\$1,406	\$89	\$1,495
11	2	1	\$1,622	\$108	\$1,730
2	3	2	\$2,069	\$127	\$2,196

Initial placement of units is as follows:

Address	Unit	Number of Bedrooms	Number of Bathrooms	Contract Rent	Utility Allowance	Gross Rent
2890 N Clybourn	301	1	1	\$1,406	\$89	\$1,495
2890 N Clybourn	303	1	1	\$1,406	\$89	\$1,495
2890 N Clybourn	203	1	1	\$1,406	\$89	\$1,495
2890 N Clybourn	101	1	1	\$1,406	\$89	\$1,495
2900 N Clybourn	301	1	1	\$1,406	\$89	\$1,495
2900 N Clybourn	202	1	1	\$1,406	\$89	\$1,495
2900 N Clybourn	101	1	1	\$1,406	\$89	\$1,495
2902 N Clybourn	103	1	1	\$1,406	\$89	\$1,495
2904 N Clybourn	302	1	1	\$1,406	\$89	\$1,495
2904 N Clybourn	202	1	1	\$1,406	\$89	\$1,495
2904 N Clybourn	103	1	1	\$1,406	\$89	\$1,495
2753 N Hoyne	202	1	1	\$1,406	\$89	\$1,495
2753 N Hoyne	101	1	1	\$1,406	\$89	\$1,495
2755 N Hoyne	202	1	1	\$1,406	\$89	\$1,495
2759 N Hoyne	101	1	1	\$1,406	\$89	\$1,495
2900 N Clybourn	402	2	1	\$1,622	\$108	\$1,730
2900 N Clybourn	203	2	1	\$1,622	\$108	\$1,730
2900 N Clybourn	104	2	1	\$1,622	\$108	\$1,730
2902 N Clybourn	301	2	1	\$1,622	\$108	\$1,730
2902 N Clybourn	201	2	1	\$1,622	\$108	\$1,730
2747 N Hoyne	301	2	1	\$1,622	\$108	\$1,730
2747 N Hoyne	101	2	1	\$1,622	\$108	\$1,730
2751 N Hoyne	202	2	1	\$1,622	\$108	\$1,730

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2755 N Hoyne	301	2	1	\$1,622	\$108	\$1,730
2759 N Hoyne	202	2	1	\$1,622	\$108	\$1,730
2759 N Hoyne	102	2	1	\$1,622	\$108	\$1,730
2751 N Hoyne	301	3	2	\$2,069	\$127	\$2,196
2751 N Hoyne	101	3	2	\$2,069	\$127	\$2,196

Property of Cook County Clerk's Office