

# UNOFFICIAL COPY

Greater Illinois Title Co.  
120 North LaSalle St., #900  
Chicago, IL 60602

GIT File #: 41072419

Doc#. 2222028043 Fee: \$98.00  
Karen A. Yarbrough  
Cook County Clerk  
Date: 08/08/2022 09:35 AM Pg: 1 of 30

Dec ID 20220701686593  
ST/CO Stamp 1-121-108-560

## RECORDING COVER SHEET

Cook County Recorder

TYPE OF DOCUMENT: Quit Claim Deed

Re.: 29-18-211-020-0000 and 29-18-211-021-0000

Address of Real Estate: 15239 Honore Ave., Harvey, Illinois 60426

**UNOFFICIAL COPY****EXEMPT**

41072419

**QUIT CLAIM DEED**

Prepared by:

**Bryan L. Strand**  
 Ancel Glink, P.C.  
 140 South Dearborn Street  
 6<sup>th</sup> Floor  
 Chicago, IL 60603

Mail this recorded instrument and future tax  
 bills to Grantee:

**HARVEY HOUSING I LLC**  
 1020 Park Drive #458  
 Flossmoor, IL 60422

**No. 19037**

**THE CITY OF HARVEY ("GRANTOR")**, an Illinois municipal corporation with its office at **15320 Broadway Avenue, Harvey, Cook County, State of Illinois**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and by the authority provided in the Redevelopment Agreement by and between City of Harvey and Harvey Housing I LLC ("HHI"), an Illinois limited liability company, a subsidiary of Southland Development Authority, NFP ("SDA"), the sole manager of HHI, made and entered into May 16, 2022 attached hereto as Exhibit A.

**CONVEYS and QUIT CLAIMS to HARVEY HOUSING I LLC ("GRANTEE")**, all interest in the following Real Estate situated in the County of Cook, in the State of Illinois, described to wit:

Lots 28 and 29 in Block 8 in Harvey Residence Subdivision in the West 1/2 of the Northeast 1/4 of Section 18, Township 36 North, Range 14 East of the Third Principal Meridian in Cook County, Illinois.

hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Laws of the State of Illinois.

Permanent Real Estate Index No.: 29-18-211-020-0000 and 29-18-211-021-0000

Address of Real Estate: 15239 Honore Ave., Harvey, Illinois 60426

**Subject to:** General real estate taxes not due and payable at the time of closing, covenants, conditions, and restrictions of record, building lines and easements, if any, so long as they do not interfere with the current use and of the real estate. Covenants, conditions and restrictions ("CCRs") in the "Redevelopment Agreement by and between City of Harvey and Harvey Housing I LLC ("HHI"), an Illinois limited liability company, a subsidiary of Southland Development Authority, NFP ("SDA"), the sole manager of HHI, made and entered into May 16, 2022" (attached hereto as **EXHIBIT A**) including but not limited to the following:

The property is to be used solely for the uses and purposes set forth on the Grantee's application on file with the City of Harvey (the "Project"). The project shall be completed no later than twenty-four (24) months after the delivery of this deed. The Grantee shall not discriminate upon the basis of race, color, religion, sex or national origin in the sale, lease, rental or occupancy of the property. Failure to comply with this covenant shall cause all title, rights and interest in the property herein conveyed to revert to the City of Harvey, and the City shall be entitled to recover all costs and expenses, including attorney's fees incurred in re-vesting title to the City. This covenant shall run with the land and shall terminate five (5)

**REAL ESTATE TRANSFER TAX**

05-Aug-2022



<b>COUNTY:</b>	0.00
<b>ILLINOIS:</b>	0.00
<b>TOTAL:</b>	0.00

29-18-211-020-0000

| 20220701686593 | 1-121-108-580

# UNOFFICIAL COPY

years after the recording of this deed. This covenant shall be enforceable against the Grantee, its heirs, successors and assigns.

Prior to the conveyance of the Property to HHI, HHI shall deliver to the City a recordable re-conveyance warrant deed for the Property, re-vesting title in the City free and clear of all liens and encumbrances. The City shall have the right to record the re-conveyance warranty deed if there is a default by HHI at any time or if HHI cannot or does not complete the Project in accordance with the terms of this Agreement. The City shall return the re-conveyance warrant deed to HHI after the Certificate of Completion has been issued.

DATED this 6<sup>th</sup> day of June 2022

CITY OF HARVEY

*CLP*  
Mayor

ATTEST: *Rose M. Anderson*  
Clerk

**EXEMPT UNDER PROVISIONS OF  
35 ILCS 200/31-45, PARAGRAPH (b),  
REAL ESTATE TRANSFER ACT**

DATE: June 7, 2022

*[Signature]*  
Signature of Grantor, Grantee or Representative

Property of Cook County Clerk's Office

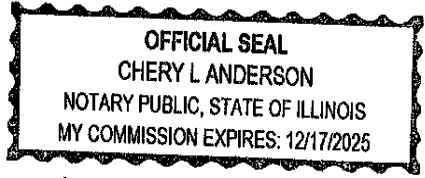
# UNOFFICIAL COPY

STATE OF ILLINOIS        )  
   )  
 COUNTY OF COOK         )        SS.

I, the undersigned, a Notary Public in and for said County and State aforesaid, DO HEREBY CERTIFY, that CHRISTOPHER J. CLARK, Mayor of the City of Harvey, and ROSA ARAMBULA, Clerk, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument on behalf of the CITY OF HARVEY as and for its free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal, this 17th day of June, 2022.

*Cheryl L. Anderson*  
 NOTARY PUBLIC



Commission expires 12/17, 2025

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

## STATEMENT BY GRANTOR AND GRANTEE

The grantor or his agent affirms that, to the best of his/her knowledge, the name of the grantor shown on the deed or assignment of beneficial interest in the land trust is either a natural person, an Illinois Corporation or Foreign Corporation authorized to do business or acquire and hold title to real estate in Illinois, a partnership authorized to do business or acquire real estate in Illinois or other entity recognized as a person and authorized to do business or acquire title to real estate under the laws of the State of Illinois.

Dated: 6-6, 2022 [Signature]  
Signature

Subscribed to and sworn before me this 6 day of June, 2022

[Signature]  
Notary Public

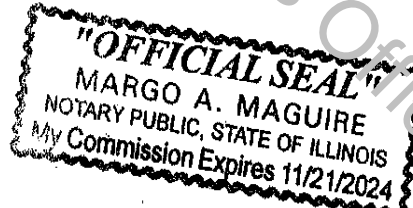


The grantee or his agent affirms that, to the best of his/her knowledge, the name of the grantee shown on the deed or assignment of beneficial interest in the land trust is either a natural person, an Illinois Corporation or Foreign Corporation authorized to do business or acquire and hold title to real estate in Illinois, a partnership authorized to do business or acquire real estate in Illinois or other entity recognized as a person and authorized to do business or acquire title to real estate under the laws of the State of Illinois.

Dated: 6-6, 2022 [Signature]  
Signature

Subscribed to and sworn before me this 6 day of June, 2022

[Signature]  
Notary Public



NOTE: ANY PERSON WHO KNOWINGLY SUBMITS A FALSE STATEMENT CONCERNING THE INDEMNITY OF A GRANTOR OR GRANTEE SHALL BE GUILTY OF A CLASS C MISDEMEANOR FOR THE FIRST OFFENSE AND OF A CLASS ACTION A MISDEMEANOR FOR SUBSEQUENT OFFENSES.

(ATTACH TO DEED OR ABI TO BE RECORDED IN COOK COUNTY, ILLINOIS, IF EXEMPT UNDER PROVISIONS OF SECTION 4 OF THE ILLINOIS REAL ESTATE TRANSFER TAX ACT)

# UNOFFICIAL COPY

EXHIBIT A

*This Space for Recorder's Use Only*

---

## REDEVELOPMENT AGREEMENT

BY AND BETWEEN

CITY OF HARVEY

AND

HARVEY HOUSING I, LLC

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

## REDEVELOPMENT AGREEMENT

BY AND BETWEEN

CITY OF HARVEY

AND

HARVEY HOUSING I, LLC

THIS REDEVELOPMENT AGREEMENT ("**Agreement**") is made and entered into this 16<sup>th</sup> day of May, 2022 ("**Effective Date**"), by and between the **CITY OF HARVEY**, an Illinois home rule municipality ("**City**"), and **HARVEY HOUSING I, LLC**, an Illinois corporation ("**HHI**"), a subsidiary of Southland Development Authority, NFP ("**Southland Development Authority**"), the sole manager of HHI. (For convenience, the City, Southland Development Authority, and HHI may be referred to individually as a "**Party**" and collectively as the "**Parties**").

IN CONSIDERATION OF the recitals and the mutual covenants and agreements set forth in this Agreement, and pursuant to the City's home rule powers, the parties agree as follows:

### SECTION 1. RECITALS.

A. The City is a home rule unit of local government by virtue of the provisions of the Illinois Constitution of 1970.

B. The City is the owner of certain parcels of real property that are located in the City of Harvey, Illinois referred to as the "**Redevelopment Properties**"), as shown in **Exhibit A**.

C. HHI and its contractors specialize in the renovation of single and multi-family buildings in greater Chicago and selling or renting them to qualified and screened homeowners or tenants. New owners or tenants agree to abide by living standards conducive to tranquil living arrangements with neighbors.

D. The improvements on the Redevelopment Properties will be completed as soon as possible, with rehabilitation of the Redevelopment Properties, as well as ancillary site improvements and landscaping. It is estimated that the cost of the Redevelopment Properties improvements contemplated by HHI will be over \$2,100,000 and generate construction jobs with first preference for new hires to be for qualified City residents.

E. The Redevelopment Properties are located in an area designated by the City to be eligible for low-cost broadband service to the site and to be conveyed to HHI for a sales price limited to \$5,000 per property, to cover legal fees ("**Incentives**").

---

\* All defined terms initially appear in bold and italics and thereafter as capitalized words and phrases throughout this Redevelopment Agreement. They shall have the meanings set forth in the preamble, in Section 2, and elsewhere in this Redevelopment Agreement.

# UNOFFICIAL COPY

F. The City desires to promote new investment that, as part of its economic development strategy, creates new infill housing opportunities for City residents and sources of revenue for the City. Reactivation of the Redevelopment Properties advances the City's goal (articulated in its 2005 TOD Plan and the forthcoming TOD Plan Update) and the TOD TIF District goals to improve residential housing options in the downtown area and revitalize the downtown.

G. It is anticipated the improvements proposed by HHI will create additional employment and housing opportunities in the City, and increase the City's tax base.

H. The City is willing to assist HHI by (i) selling the Redevelopment Properties to HHI at a sales price limited to \$5,000 each, to cover legal fees, and (ii) obtaining the Incentives for the Redevelopment Properties as of the Effective Date, provided it receives the assurances from HHI as set forth in this Agreement.

## **SECTION 2. DEFINITIONS.**

**"Broadband Internet Service"**: High-speed internet service made available to tenants at a speed equal to or greater than 50/10 Megabits per second (Mbps) download/upload.

**"Building Code"**: Title 15, entitled "Buildings and Construction", of the Municipal Code of Harvey, as amended.

**"Corporate Authorities"**: The Mayor and City Council of the City.

**"Force Majeure"**: Matters which are outside the reasonable control of the party claiming such event, including strikes, lockouts, riots, acts of God, pandemic (including governmental shutdown or closure orders associated therewith), shortages of labor or materials, war, terrorist acts or activities, governmental laws, regulations or restrictions or any other causes of any kind whatsoever which are beyond the reasonable control of such party or other factors beyond a party's reasonable control and reasonable ability to remedy and shall specifically include any event in which (i) HHI, (ii) the City, (iii) any other government authority reasonably necessary to effectuate the performance of HHI or City under this Agreement or (iv) third party service providers and agents of either or both of HHI or City (such as contractors, material suppliers, the Title Company, or HHI's or the City's attorneys) are delayed, hindered, or prevented from performing any act required under the Agreement or reasonably necessary to effectuate such performance, by reason of a government or other closure, delay, or inability to perform because of or attributable to the outbreak of COVID-19 or other health related pandemic or local, regional or national health crisis (each a **"Force Majeure Event"**).

**"Person"**: Any corporation, partnership, individual, joint venture, trust, estate, association, business, enterprise, proprietorship, or other legal entity of any kind, either public or private, and any legal successor, agent, representative, or authorized assign of the above.

**"Redevelopment Project"**: HHI's plans and specifications for the redevelopment of the Redevelopment Properties, which plans and specifications are set forth by example in **Exhibit B**, including but not limited to exterior improvements (e.g., new roofs, masonry repair, repair and/or replacement of front and rear porches), interior improvements (e.g., plumbing, electrical and HVAC improvements) and exterior security lighting.



# UNOFFICIAL COPY

**"Redevelopment Properties"**: Those certain properties that will be the sites of the Redevelopment Project, which is depicted in **Exhibit A**. In the event that the Parties determine that a specific property as listed in Exhibit A cannot be preserved and improved due to advanced deterioration at the point of closing, then the two Parties may mutually agree to substitute an alternate property as listed in said Exhibit A.

**"Requirements of Law"**: All applicable federal, state, and local laws, statutes, codes, ordinances, resolutions, orders, rules, and regulations.

**"Zoning Ordinance"**: Title 16, entitled "The Zoning Ordinance of the City of Harvey" of the Municipal Code of Harvey, as amended.

## **SECTION 3. MUTUAL ASSISTANCE.**

A. **Documents**. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications, as well as the adoption of such ordinances and resolutions, as may be necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out such terms, provisions and intent.

B. **Governmental Approvals**. The Parties will cooperate fully with each other in implementing the provisions and terms of this Agreement and in seeking and obtaining from any or all appropriate governmental bodies, whether federal, state, county or local, any required permits, entitlements and approvals for the HHI Redevelopment, for the provision of public and private utility services to the Redevelopment Properties, and the demolition and clearance of blighted improvements on the Redevelopment Properties.

C. **City Approvals**. The City will issue all permits and approvals necessary or desirable for the HHI Redevelopment and demolition and clearance of blighted improvements on the Redevelopment Properties, including, without limitation, demolition, building and other permits and certificates of occupancy, provided that HHI applies and receives approval (which approval the City will not unreasonably withhold, delay or condition) for all permits and approvals required under applicable City codes, ordinances, standards, rules, and regulations, as the same may be amended from time to time, and other Requirements of Law; provided, further, that the City has the right to reasonably withhold any building permit or certificate of occupancy at any time HHI is in violation of, or is not in full compliance with, any term of this Agreement until such time as HHI is in compliance with this Agreement or any violation is cured. The Parties agree to execute all documents and other instruments reasonably required by HHI's lender in connection with the financing of the development and construction of the HHI Redevelopment.

## **SECTION 4. CONVEYANCE OF REDEVELOPMENT PROPERTIES; REDEVELOPMENT OF REDEVELOPMENT PROPERTIES.**

### A. **Conveyance of Redevelopment Properties.**

1. **Conveyance**. The City, as of the Effective Date, is the owner of fee simple title to the Redevelopment Properties. The City will use its best efforts to convey fee simple title to the Redevelopment Properties as promptly as is reasonably

# UNOFFICIAL COPY

possible, with the timing of the transfer scheduled to be a simultaneous sign-and-close with HHI's closing for construction and acquisition financing. This means that HHI and the City will close on the first three (3) properties and HHI will commence construction within 60 days of the closing, and then a subsequent closing for the remaining 7 properties will take place no later than 120 days after the initial closing, but sooner if HHI can achieve permit approvals and complete demolition on the first three properties before such date. HHI agrees to acquire from the City, absent a Force Majeure Event, the fee simple interest in the Redevelopment Properties in "as is, where is" condition together with all privileges, rights and appurtenances thereto.

2. **Title Insurance and Survey** shall be the responsibility of HHI. HHI has conducted its due diligence investigation concerning the condition of the improvements upon the property and will take title to the property in as "AS IS" condition. HHI has further conducted its due diligence investigation concerning the title to the property including all liens, taxes and encumbrances and has consulted with an attorney of its choosing concerning the title to the property and is satisfied with the condition of said Title. It shall be HHI's responsibility to remove or take subject to all objectionable liens, taxes, and encumbrances, if any, from the title to the property. THE CITY OF HARVEY MAKES NO WARRANTIES OF ANY KIND CONCERNING THE MERCHANTABILITY OF THE TITLE TO THE PROPERTY OR THE CONDITION OF THE STRUCTURE OR THE STATUS OF PRESENCE OF ANY ENVIRONMENTAL CONTAMINATION (INCLUDING MOLD OR OTHER HAZARDOUS MATERIALS ON THE PROPERTY).
3. **Purchase Price.** HHI will pay as the purchase price ("**Purchase Price**") for each of the ten Redevelopment Properties the sum of Five Thousand Dollars (\$5,000.00 each or \$50,000 in total). The Purchase Price, when due, will be payable in cash by cashier's or bank check or by wire transfer providing immediately available funds to a City specified account.
4. **Deed and Conveyed Interest.** Upon payment of the Purchase Price the City will convey the Redevelopment Properties in the form of a Quit Claim Deed.
5. **Covenant to Reinvest Proceeds.** HHI is purchasing the Redevelopment Properties for the purposes of buying and holding property for affordable sale or rental, with the ultimate goal of sales of rehabilitated properties to residents who have successfully made a commitment to Harvey. In the event that HHI realizes any "windfall" through sale of a Redevelopment Properties (e.g., proceeds in excess of Redevelopment Project costs by 50%), HHI will reinvest any net proceeds in the City of Harvey through additional property purchases and/or rehabilitation projects. This Covenant shall survive the closing and shall be on the Deed.
6. HHI shall accept title to the Property subject to a covenant substantially in the following form. The property is to be used solely for the uses and purposes set forth in the Grantee's application on file with the City of Harvey (the "Project"). The Project shall be completed no later than twenty-four (24) months after the delivery of this deed. The Grantee shall not discriminate upon the basis of race, color, religion, sex or national origin in the sale, lease, rental or occupancy of

# UNOFFICIAL COPY

the property. Failure to comply with this covenant shall cause all title, rights and interest in the property herein conveyed to revert to the City of Harvey, and the City shall be entitled to recover all costs and expenses, including attorney's fees incurred in re-vesting title in the City. This covenant shall run with the land and shall terminate five (5) years after the recording of the deed. This covenant shall be enforceable against the Grantee, its heirs, successors and assigns.

7. Prior to the conveyance of the Property to HHI, HHI shall deliver to the City a recordable re-conveyance warranty deed for the Property, re-vesting title in the City free and clear of all liens and encumbrances. The City shall have the right to record the re-conveyance warranty deed if there is a default by HHI at any time or if HHI cannot or does not complete the Project in accordance with the terms of this Agreement. The City shall return the re-conveyance warranty deed to HHI after the Certificate of Completion has been issued.

B. Development Control Documents. HHI will construct or cause to be constructed the improvements on the Redevelopment Properties, as described in Section 1.C.1 of this Agreement. The improvements will be made with high quality materials and construction standards, subject to all necessary regulatory approvals of the final building and site plans by the City, which approvals the City shall not unreasonably withhold, delay or condition. The improvements described in of this Agreement will be constructed in substantial compliance with the following plans, documents, specifications, ordinance, and regulations:

1. "**Site Plan**": The representative sample site plans for the Properties prepared by either HHI or its designees, with latest revision date of 5/12/22, a copy of which is attached to this Agreement as **Exhibit B**;
2. This Agreement;
3. The City's Zoning Ordinance;
4. The City's Building Code; and
5. The other Requirements of Law.

C. Permit Applications. Construction authorization for HHI shall be subject to and contingent upon City approval of the following:

1. a complete application for all necessary permits for demolition and clearance of blighted improvements on the Redevelopment Properties; and
2. complete applications for all necessary permits for rehabilitation of the existing structure, as well as ancillary site improvements and landscaping.

D. Demolition and Clearance of Blighted Improvements on Redevelopment Properties.

1. Construction. HHI will at all times conduct (or cause to be conducted) the demolition and clearance work, and operate and maintain the Redevelopment Properties, including any future improvement and redevelopment of the

# UNOFFICIAL COPY

Redevelopment Properties, in material compliance with all applicable City, County, state, and federal laws, ordinances, rules, and regulations, including, without limitation, the Zoning Ordinance, Building Code, and other Requirements of Law, as the same may be amended from time to time.

2. Schedule for Completion of Demolition and Clearance. The demolition and clearance work on the Redevelopment Properties will be completed and made ready for inspection, approval, and any required acceptance by the City, as set forth in the Construction Schedule (as hereinafter defined). HHI will be allowed extensions of time beyond the completion date required by this Subsection 4.D.2 only for delay caused by Force Majeure. HHI will, within seven days after it becomes aware that any unavoidable delay has commenced and again within five days after the delay terminates, give notice to the City for its review and approval of the delay, the cause for the delay, the period or anticipated period of the delay, and the steps taken or to be taken by HHI to mitigate the effects of the delay. Any failure of HHI to give the required notice will be a waiver of any right to an extension of time for any delay.

E. Schedule for Completion of Redevelopment Project: Certificate of Occupancy. The Redevelopment Project work will be completed by HHI and made ready for inspection, approval, and any required acceptance by the City, in accordance with the schedule attached to this Agreement as **Exhibit C ("Construction Schedule")**. HHI will be allowed extensions of time beyond the completion dates required by the Construction Schedule only for delay caused by Force Majeure. HHI will, within two days after it becomes aware that any unavoidable delay has commenced and again within two days after the delay terminates, give notice to the City for its review and approval of the delay, the cause for the delay, the period or anticipated period of the delay, and the steps taken or to be taken by HHI to mitigate the effects of the delay. Any failure of HHI to give the required notice will be a waiver of any right to an extension of time for any delay. Subject to Force Majeure, as described in Section 2 of this Agreement, HHI will complete the Redevelopment Project and submit an application for a certificate of occupancy from the City in accordance with the Construction Schedule ("**Occupancy Date**").

F. Broadband Internet Service. In consideration for the sales prices limited to \$5,000, HHI agrees to offer broadband internet service for 12 months at no cost, and for \$15 per month for a subsequent 12-month period. Afterwards beginning in the 25<sup>th</sup> month, the fee schedule will be set at a market rate for high-speed broadband, not to exceed \$50 per month. This tenant benefit would be reflected in the lease (if applicable) and would be posted in the common areas of each building for broadband internet service.

G. Path to Homeownership. The City Administrator and Southland Development Authority may mutually agree to exercise an option to establish a Path to Homeownership program limited to tenants living in an improved residence under this agreement. If the two parties mutually agree to exercise said option, it will be substantially in conformance with the guidelines as depicted in Exhibit D.

H. Plans and Specifications. HHI shall improve or rehabilitate the Property in accordance with the approved plans and specifications set forth in its application on file with the City ("Project") and shall complete the Project within the time period set forth in Paragraph 4.A.6. above. HHI shall not deviate from the approved plans and specifications without the prior written consent of the City.

# UNOFFICIAL COPY

## SECTION 5.

RESERVED.

## SECTION 6. GENERAL STANDARDS FOR HHI.

A. Redevelopment. HHI will undertake the HHI Redevelopment in substantial compliance with the project scope, site plans, architectural plans and elevations, engineering plans, and plats, as appropriate, submitted to and approved by all necessary City commissions, boards, and departments, and which approved plans and plats will, by this reference, become part of and incorporated into Exhibit B. HHI will at all times acquire, install, construct, operate and maintain the HHI Redevelopment in material compliance with all applicable City, state, and federal laws, ordinances, rules, and regulations, including, without limitation, the Zoning Ordinance, Building Code, and other Requirements of Law, as the same may be amended from time to time.

B. General Standards. HHI will complete the construction of the improvements on the HHI Redevelopment in a good and workmanlike manner. All materials used for construction of the HHI Redevelopment will be new and of first-rate quality.

C. Easements. Utility and enforcement easements shall be granted to the City and other governmental bodies and utility services over, on, and across the HHI Redevelopment for the purposes of enforcing applicable laws, making repairs, installing and servicing utilities, and providing public and emergency services.

D. Damage to Public Property. HHI will maintain the HHI Redevelopment and all streets, sidewalks, and other public property in and adjacent to the HHI Redevelopment in a reasonably good and clean condition at all times during development and construction of the HHI Redevelopment. Further, HHI will promptly clean all mud, dirt, or debris deposited on any street, sidewalk, or other public property in or adjacent to the HHI Redevelopment by HHI or any agent of or contractor hired by, or on behalf of, HHI, and will repair any damage that may be caused by the activities of HHI or any agent of or contractor hired by, or on behalf of, HHI. If, within one hour after the City gives HHI notice to clean all mud, dirt, or debris deposited on any street, sidewalk, or other public property in or adjacent to the HHI Redevelopment by HHI or any agent of or contractor hired by, or on behalf of, HHI, HHI neglects to clean, or undertake with due diligence to clean, the affected public property, subject to any Force Majeure Event, then the City will be entitled to clean, either with its own forces or with contract forces, the affected public property and to recover from HHI a \$40.00 per hour charge multiplied by the number of personnel reasonably required to perform the cleaning.

E. Final Inspections and Approvals. When HHI determines that any portion of the HHI Redevelopment has been properly completed, HHI will request final inspection, approval, and, as appropriate, acceptance of the improvements by the City. The notice and request will be given sufficiently in advance to allow the City time to inspect the improvements and to prepare a punch list of items requiring repair or correction and to allow HHI time to make all required repairs and corrections prior to the scheduled completion date. HHI will promptly make all necessary repairs and corrections as specified on the punch list. The City will not be required to approve or accept any improvement until all of the improvements, including without limitation all punch list items, have been fully and properly completed.



# UNOFFICIAL COPY

F. Issuance of Building and Occupancy Permits. The City will have the absolute right to withhold any building permit or certificate of occupancy at any time HHI is in violation of, or is not in full compliance with, any term of this Agreement.

G. Completion of Construction. If, subject to any Force Majeure Event, HHI fails to diligently pursue all construction, as required in, or permitted by, Sections 4 and 5 of this Agreement, to completion within the time period prescribed in the building permit or permits issued by the City for the construction, and if the building permit or permits are not renewed within three months after expiration, HHI will, within 90 days after written notice from the City, remove any partially constructed or partially completed buildings, structures, or improvements from the Property. If HHI fails or refuses to remove the buildings, structures, and improvements as required, then the City will have, and is hereby granted, in addition to all other rights afforded to the City in this Agreement and by law, the right, at its option, to demolish and remove any of the buildings, structures, and improvements, and the City will have the right to charge HHI an amount sufficient to defray the entire cost of the work, including without limitation legal and administrative costs.

H. Designated Traffic Routes. The City may designate routes of access to the HHI Redevelopment for construction traffic to protect pedestrians and to minimize disruption of traffic and damage to paved street surfaces; provided, however, that the designated routes will not unduly hinder or obstruct direct and efficient access to the HHI Redevelopment for construction traffic. HHI will keep all routes used for construction traffic free and HHI Redevelopment of mud, dirt, debris, obstructions, and hazards and will repair all damage caused by the construction traffic. The City also may designate from time to time temporary construction haul roads on and to the HHI Redevelopment that will be located and constructed in a manner acceptable to the City Engineer.

I. Parking. All construction vehicles, including passenger vehicles, and construction equipment shall be parked within the HHI Redevelopment or in areas designated by the City.

## **SECTION 7. CITY SUPPORT FOR INCENTIVES; DEFAULT.**

A. City Support. The Corporate Authorities will adopt a resolution supporting and consenting to the Incentives for the Redevelopment Properties.

B. Effect of Default. If HHI fails to complete its obligations described in this Agreement, the Corporate Authorities may, in their sole and absolute discretion, take necessary actions to repeal the Incentives for the Redevelopment Properties.

## **SECTION 8. INSURANCE AND INDEMNIFICATION.**

A. HHI's Risk Prior to Completion. Prior to completion of the HHI Redevelopment, HHI will keep in force at all times builders risk and liability insurance on a completed value basis, in non-reporting form, against all risks of physical loss, including collapse, covering the total value of work performed and equipment, supplies and materials furnished for the HHI Redevelopment (including on-site stored materials), all as to work by HHI. The insurance required under this Subsection 6.A will be issued by companies properly licensed by the State of Illinois and

# UNOFFICIAL COPY

reasonably satisfactory to the City. The insurance required under this Subsection 6.A will name the City as an additional insured. All such policies will contain a provision that the same will not be canceled or modified without 30-days prior written notice to the City.

B. **HHI, its successors and assigns, shall indemnify and hold the City and its agents harmless against any and all claims, known and unknown, including environmental conditions or violations of existing environmental laws or other encumbrances, arising out of or during the City's ownership of the property or arising out of HHI's performance or, or failure to perform its obligations under this Agreement.**

C. **City Review. HHI acknowledges and agrees that the City is not, and will not be, in any way liable for any damages or injuries that may be sustained as the result of the City's review and approval of any plans for the HHI Redevelopment, or demolition and removal of the blighted improvements from the Redevelopment Properties, or the issuance of any approvals, permits, certificates, or acceptances for the development or use of the HHI Redevelopment, or demolition and removal of the blighted improvements from the Redevelopment Properties, and that the City's review and approval of those plans and issuance of those approvals, permits, certificates, or acceptances does not, and shall not, in any way, be deemed to insure HHI, or any of its successors, assigns, tenants, and licensees, or any other Person, against damage or injury of any kind at any time.**

D. **City Procedure. HHI acknowledges and agrees that notices, meetings, and hearings have been properly given and held by the City with respect to the approval of this Agreement and agrees not to challenge the City's approval on the grounds of any procedural infirmity or of any denial of any procedural right, including any such procedures modified according to the requirements of Section 7(e) of the Illinois Open Meetings Act, 5 ILCS 120/7(e), enabling the City, and other units of local government, to conduct public business remotely.**

E. **Indemnity. HHI agrees to, and does hereby, hold harmless and indemnify the City, all City commissions, boards, public bodies, and all City elected or appointed officials, officers, employees, agents, representatives, engineers, and attorneys (collectively, "Indemnitees"), from any and all claims that may be asserted at any time against any of them in connection with (i) the City's review and approval of any plans for the HHI Redevelopment or demolition and removal of the blighted improvements from the Redevelopment Properties; (ii) the issuance of any approval, permit, certificate, or acceptance for the HHI Redevelopment, or demolition and removal of the blighted improvements from the Redevelopment Properties; and (iii) the development, construction, maintenance, or use of any portion of the HHI Redevelopment, or demolition and removal of the blighted improvements from the Redevelopment Properties; provided, however, that the foregoing obligation shall not apply to any negligence or willful misconduct of the Indemnitees.**

## **SECTION 9. ENFORCEMENT.**

The parties to this Agreement may, in law or in equity, by suit, action, mandamus, or any other proceeding, including without limitation specific performance, enforce or compel the performance of this Agreement; provided, however, that HHI agrees that it will not seek, and does not have the right to seek, to recover a judgment for monetary damages against the City, or any of its elected or appointed officials, officers, employees, agents, representatives, engineers, or attorneys, on account of the negotiation, execution, or breach of this Agreement. In addition to every other remedy permitted by law for the enforcement of the terms of this Agreement, the City

# UNOFFICIAL COPY

shall be entitled to withhold the issuance of building or demolition permits or certificates of occupancy for any and all buildings and structures within the HHI Redevelopment or demolition and removal of the blighted improvements from the Redevelopment Properties at any time when HHI has failed or refused to meet fully any of its obligations under this Agreement. In the event of a judicial proceeding brought by one party to this Agreement against the other party to this Agreement pursuant to this Section 7, the prevailing party shall be entitled to reimbursement from the unsuccessful party of all costs and expenses, including without limitation reasonable attorneys' fees, incurred in connection with the judicial proceeding.

## **SECTION 10. FEES, DEDICATIONS, DONATIONS, AND CONTRIBUTIONS.**

A. **Negotiation and Review Fees.** In addition to all other costs, payments, fees, charges, contributions, or dedications required by this Agreement or by the Requirements of Law, HHI will pay to the City, immediately after presentation of a written demand or demands for payment, all reasonable legal, engineering, and other consulting or administrative fees, costs, and expenses incurred or accrued in connection with the review and processing of plans for the redevelopment and renovation of the HHI Redevelopment, or the demolition and clearance work on the Redevelopment Properties and in connection with the negotiation, preparation, consideration, and review of this Agreement. Payment of all fees, costs, and expenses for which demand has been made, but payment has not been received, by the City prior to execution of this Agreement, will be made by a certified or cashier's check or wire transfer contemporaneous with the execution of this Agreement by the City. Further, HHI agrees that it will continue to be liable for and to pay, immediately after presentation of a written demand or demands for payment, the fees, costs and expenses incurred in connection with any applications, documents, or proposals, whether formal or informal, of whatever kind submitted by HHI during the term of this Agreement in connection with the use, redevelopment, and renovation of the HHI Redevelopment and the use, demolition, and clearance of the Redevelopment Properties. Further, HHI agrees that it will be liable for and will pay after demand all customary fees, costs, and expenses incurred by the City for publications and recordings required in connection with the above matters.

B. **Other City Fees.** In addition to all other costs, payments, fees, charges, contributions, or dedications required by this Agreement, HHI will pay to the City all application, inspection, and permit fees, all water and sewer general and special connection fees, tap-on fees, charges, and contributions, and all other fees, charges, and contributions pursuant to the Requirements of Law.

## **SECTION 11. NATURE, SURVIVAL, AND TRANSFER OF OBLIGATIONS.**

All obligations assumed by HHI under this Agreement will be binding on and inure for the benefit of HHI personally, on any and all of HHI's successors, and assigns, and on any and all of the respective successor legal or beneficial owners, lessees, or sublessees. To assure that HHI's successors, and assigns, and successor owners, lessees, or sublessees have notice of this Agreement and the obligations created by it, HHI will:

1. Deposit with the City Administrator, contemporaneously with the City's approval of this Agreement, any consents or other documents necessary to authorize the City to record this Agreement in the office of the Recorder of Cook County; and



# UNOFFICIAL COPY

2. Notify the City in writing at least 30 days prior to any date after which HHI transfers its interest in all or any part of the HHI Redevelopment to any Person not a party to this Agreement; and
3. Incorporate, by reference, this Agreement into any and all real estate sales, lease, or sublease contract to any Person not a party to this Agreement.

## **SECTION 12. HHI REPRESENTATIONS.**

HHI hereby represents and warrants to the City as follows:

A. As of the date of execution of this Agreement, HHI is financially solvent, able to pay its debts as they mature, and able to perform the obligations hereunder, and will promptly give written notice to the City of any material adverse change in the financial condition of HHI which would have an adverse effect on the execution, delivery, performance, or enforceability of this Agreement;

B. HHI is authorized to do business in, and is in good standing in, the State of Illinois;

C. Except for only those representations, statements, or promises expressly contained in this Agreement, no representation, statement, or promise of any kind whatsoever by the City, its officials, agents, or employees has induced HHI to enter into this Agreement or has been relied on by HHI; No proceeding of any kind including, without limitation, litigation or arbitration, whether judicial or administrative, is pending or, to its knowledge, threatened against HHI or contemplated by HHI which would under any circumstance have any material adverse effect on the execution, delivery, performance, or enforceability of this Agreement. As of the date of execution of this Agreement, HHI has not received notice, and does not to its knowledge have a reasonable basis for believing that HHI or any of its corporate officers is the subject of any of the proceedings identified in the following subparts having a material adverse effect on the execution, delivery, performance or enforceability of this Agreement: (i) criminal action, complaint, or investigation pertaining to any felony charge, or (ii) any civil action or claim, predicated on alleged acts of antitrust violations, business fraud, or class discrimination due to race, creed, color, disability, gender, marital status, age, national origin, or religious affiliation.

HHI shall provide prompt notice to the City whenever HHI obtains knowledge that any of the representations or warranties contained in this Section 12 ceases to be true or correct.

E. HHI shall pay all real estate taxes levied on the property when due and shall not seek to exempt the parcels from real estate taxes. Failure to pay the real estate taxes is considered default under this Agreement.

F. Prior to the completion of the Project, HHI shall not sell, convey, or assign the property or any part thereof or interest therein without the prior written approval of the City, except that HHI may mortgage the Property or make a collateral assignment of a beneficial interest.

G. HHI agrees for itself, its heirs, successors and assigns that:

# UNOFFICIAL COPY

- a. The Property shall be used solely for the purposes set forth in HHI's application on file with the Department of Planning for a period of not less than five (5) years from the date of the deed; and
- b. There shall be no discrimination upon the basis of race, color, religion, sex or national origin in the sale, lease, rental or occupancy of the Property.

## **SECTION 13. CITY REPRESENTATIONS.**

The City hereby warrants and represents to HHI as follows:

A. All necessary corporate, regulatory, or other similar action has been taken to authorize and empower the City to execute, deliver, and perform this Agreement;

B. No proceeding of any kind, including, without limitation, litigation or arbitration, whether judicial or administrative, is pending or threatened against or contemplated by the City which would under any circumstances have any material adverse effect on the execution, delivery, performance, or enforceability of this Agreement.

## **SECTION 14. TERM.**

This Agreement will be in full force and effect from and after the Effective Date until the earlier to occur of (a) the completion of the Redevelopment Project in accordance with the Construction Schedule as defined in Exhibit C or (b) an amendment to this Agreement that is (i) approved and authorized by the Corporate Authorities, (ii) establishing a new term for this Agreement, (iii) fully executed by both parties, and (iv) recorded in the Office of the Cook County Recorder.

## **SECTION 15. MISCELLANEOUS.**

A. **Notice.** Any notice or communication required or permitted to be given under this Agreement shall be in writing and shall be delivered (i) personally, (ii) by a reputable overnight courier, (iii) by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid, (iv) by facsimile, or (v) by electronic internet mail ("**e-mail**"). Facsimile notices shall be deemed valid only to the extent that they are (a) actually received by the individual to whom addressed and (b) followed by delivery of actual notice in the manner described in either (i), (ii), or (iii) above within three business days thereafter at the appropriate address set forth below. E-mail notices shall be deemed valid only to the extent that they are (a) opened by the recipient on a business day at the address set forth below, and (b) followed by delivery of actual notice in the manner described in either (i), (ii), or (iii) above within three business days thereafter at the appropriate address set forth below. Unless otherwise provided in this Agreement, notices shall be deemed received after the first to occur of (a) the date of actual receipt; or (b) the date that is one (1) business day after deposit with an overnight courier as evidenced by a receipt of deposit; or (b) the date that is three (3) business days after deposit in the U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section 15.A, each party to this Agreement shall have the right to change the address or the addressee, or both, for all future

# UNOFFICIAL COPY

notices and communications to them, but no notice of a change of addressee or address shall be effective until actually received.

Notices and communications to the City shall be addressed to, and delivered at, the following address:

City of Harvey  
15320 Broadway Avenue  
Harvey, IL 60426  
ATTN: Economic Development Director  
E-mail: ngreifer@cityofharveyil.gov

Notices and communications to HHI and the Southland Development Authority shall be addressed to, and delivered at, the following address:

Bo Kemp  
Harvey Housing I, LLC  
c/o Southland Development Authority  
17730 Oak Park Avenue, #D  
Tinley Park, IL 60477  
E-mail: Bo.Kemp@Southlanddevelopment.org

With a copy to:

Ginsberg Jacobs LLC  
300 S Wacker Drive, Suite 2750  
Chicago, IL 60606  
Attn: Jay Readey  
Email: Jreadey@ginsbergjacobs.com

B. Time of the Essence. Time is of the essence in the performance of this Agreement.

C. Rights Cumulative. Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies, and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other rights, remedies, and benefits allowed by law.

D. Non-Waiver. The City shall be under no obligation to exercise any of the rights granted to it in this Agreement. The failure of the City to exercise at any time any right granted to the City shall not be deemed or construed to be a waiver of that right, nor shall the failure void or affect the City's right to enforce that right or any other right.

E. Consents. Unless otherwise provided in this Agreement, whenever the consent, permission, authorization, approval, acknowledgement, or similar indication of assent of any party to this Agreement, or of any duly authorized officer, employee, agent, or representative of any party to this Agreement, is required in this Agreement, the consent, permission, authorization, approval, acknowledgement, or similar indication of assent shall be in writing.

# UNOFFICIAL COPY

F. Governing Law. This Agreement shall be governed by, and enforced in accordance with, the internal laws, but not the conflicts of laws rules, of the State of Illinois.

G. Severability. It is hereby expressed to be the intent of the parties to this Agreement that should any provision, covenant, agreement, or portion of this Agreement or its application to any Person or property be held invalid by a court of competent jurisdiction, the remaining provisions of this Agreement and the validity, enforceability, and application to any Person or property shall not be impaired thereby, but the remaining provisions shall be interpreted, applied, and enforced so as to achieve, as near as may be, the purpose and intent of this Agreement to the greatest extent permitted by applicable law.

H. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any and all prior agreements and negotiations between the parties, whether written or oral, relating to the subject matter of this Agreement.

I. Interpretation. This Agreement shall be construed without regard to the identity of the party who drafted the various provisions of this Agreement. Moreover, each and every provision of this Agreement shall be construed as though all parties to this Agreement participated equally in the drafting of this Agreement. As a result of the foregoing, any rule or construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

J. Exhibits. Exhibits A through C attached to this Agreement are, by this reference, incorporated in, and made a part of this Agreement. In the event of a conflict between an exhibit and the text of this Agreement, the text of this Agreement shall control.

K. Amendments and Modifications. No amendment or modification to this Agreement shall be effective until it is reduced to writing and approved and executed by all parties to this Agreement in accordance with all applicable statutory procedures.

L. Changes in Laws. Unless otherwise provided in this Agreement, any reference to the Requirements of Law shall be deemed to include any modifications of, or amendments to, the Requirements of Law that may occur in the future.

M. Authority to Execute. The City hereby warrants and represents to HHI that the Persons executing this Agreement on its behalf have been properly authorized to do so by the Corporate Authorities. HHI hereby warrants and represents to the City that it has the full and complete right, power, and authority to enter into this Agreement and to agree to the terms, provisions, and conditions set forth in this Agreement, (ii) that all legal actions needed to authorize the execution, delivery, and performance of this Agreement have been taken, and (iii) that neither the execution of this Agreement nor the performance of the obligations assumed by HHI will (a) result in a breach or default under any agreement to which HHI is a party or (b) to its knowledge, violate any statute, law, restriction, court order, or agreement to which HHI is subject.

N. No Third-Party Beneficiaries. No claim as a third-party beneficiary under this Agreement by any Person shall be made, or be valid, against the City or the Southland Development Authority.

O. Recording. HHI will be responsible for the cost of recording this Agreement.

# UNOFFICIAL COPY

P. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute an original document, which together shall constitute one and the same instrument.

Q. Defense of collateral attacks against deed, appeals, any pre-taxed and post-taxed deed proceeding shall be the sole responsibility of HHI.

R. The City reserves the right to take any and all steps pursuant to its police power to preserve and protect the Property and the public.

S. The parties do not presently believe or contemplate that this project is subject to the Prevailing Wage Act (820 ILCS 130/1) under the law as it exists today. However, in the event that this project is determined to be subject to the Prevailing Wage Act, HHI shall comply with the Prevailing Wage Act and indemnify and hold the City and its officers and employees under or pursuant to the Prevailing Wage Act, including interest and penalties.

T. The parties acknowledge that documents related to this transaction may be subject to disclosure under the Illinois Freedom of Information Act.

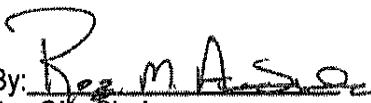
*[Signature Pages Follow]*

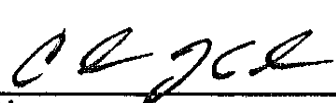
# UNOFFICIAL COPY

IN WITNESS WHEREOF, the Parties have caused this Redevelopment Agreement to be executed by their duly authorized representatives, all on the day and year first above written.

ATTEST:

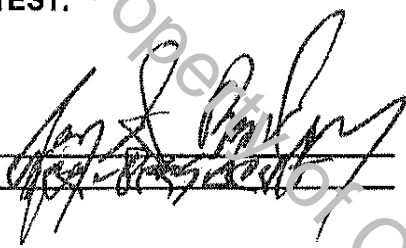
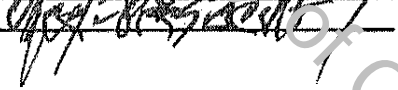
THE CITY OF HARVEY, an Illinois home rule municipal corporation

By:   
Its: City Clerk

By:   
Its: Mayor

ATTEST:

HARVEY HOUSING I, LLC, an Illinois limited liability corporation

By:   
Its: 

By:   
Southland Development Authority, NFP  
Its: Manager

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

## Exhibit A Redevelopment Properties

Address	PIN
15405 Myrtle Ave.	29-17-120-005
15526 Center Ave	29-17-305-024
15842 Park Ave	29-17-305-029
15808 Lexington Ave.	29-17-321-025
176 W 154th St.	29-18-117-005
172 W 151th St.	29-18-117-029; -030
184 West 154 Place	29-18-119-026
15239 Honore Ave	29-18-211-020; -021
223 W 155TH PL	29-18-301-020
140 West 156 Street	29-18-408-028; -029

### Alternate Properties

Address	PIN
15808 Park Ave.	29-17-321-002; -003; -004
14827 Turlington Ave.	29-08-311-015

In the event that the Parties determine that a specific property as listed in Exhibit A cannot be preserved and improved due to advanced deterioration at the point of closing, then the two Parties may mutually agree to substitute an alternate property as listed in said Exhibit A.



# UNOFFICIAL COPY

## Exhibit B Redevelopment Project and Preliminary Plans

Harvey Housing I, LLC will perform a full gut rehab on all units installing new roofs, touching up the masonry work, installing new front and rear porches, as well as new plumbing, electrical and HVAC systems. Additionally, interior improvements as shown below will be performed.

The estimated Redevelopment Project budget is \$2,100,000.

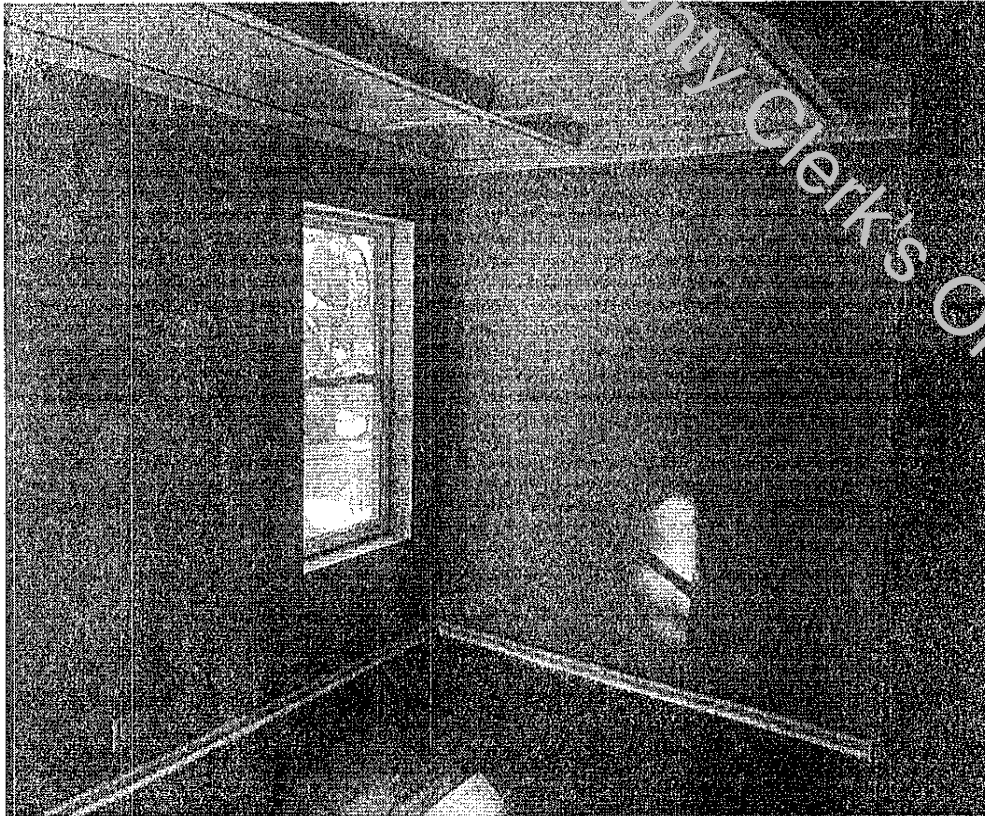
Said plans are subject to change pursuant to building department requirements.

Exhibit B1 -- Illustrative improvements (new windows, new flooring, new lighting and wall repair)





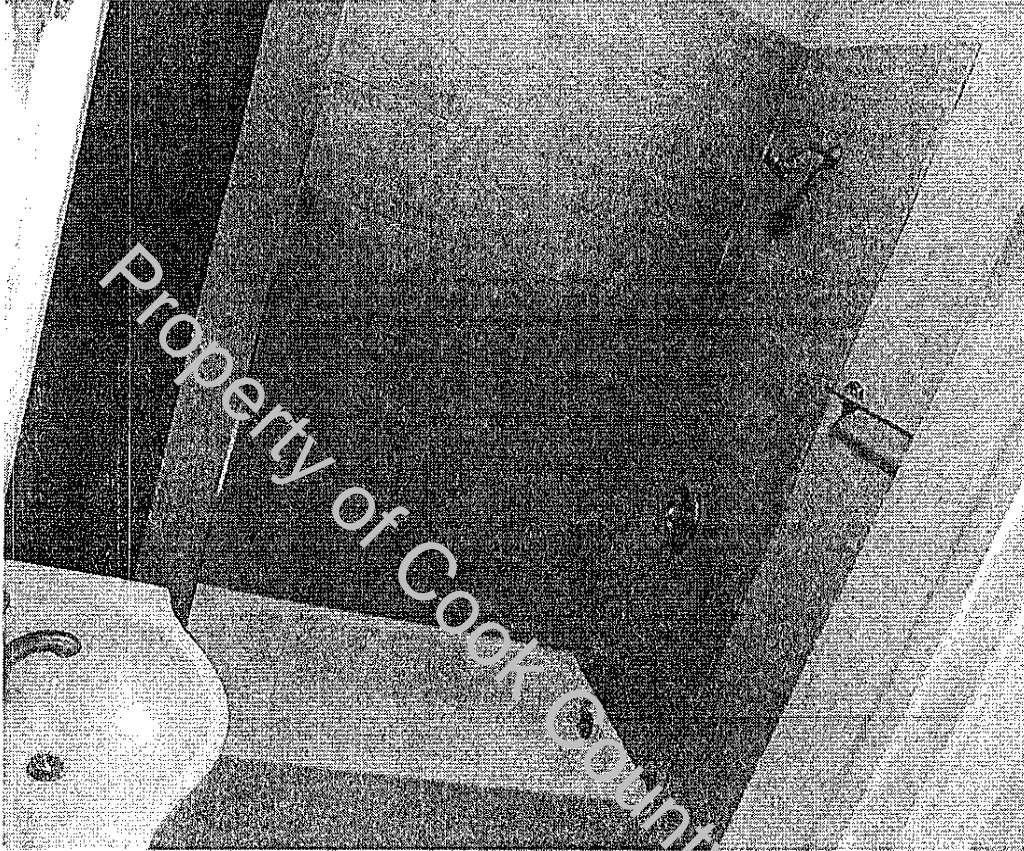
# UNOFFICIAL COPY





# UNOFFICIAL COPY

Exhibit B2 – Illustrative bathroom improvements



# UNOFFICIAL COPY





# UNOFFICIAL COPY

Exhibit B3 – Illustrative kitchen improvements



# UNOFFICIAL COPY

## Exhibit C Preliminary Construction Schedule

### PHASE 1 (First 3 Properties)

Closing on Property (Conveyance) – by June 1, 2022  
Permit Submittal – June 15, 2022  
Permit Approval – July 15, 2022  
Begin Construction – July 20, 2022  
Finish Interior Demo – August 31, 2022  
Finish Construction – December 1, 2022  
Certificate of Occupancy – January 1, 2023

### PHASE 2 (7 Remaining Properties to be Improved)

Closing on Property (Conveyance) - August 1, 2022  
Permit Submittal – August 15, 2022  
Permit Approval - September 15, 2022  
Begin Construction – September 20, 2022  
Finish Interior Demo – October 30, 2022  
Finish Construction – January 31, 2023  
Certificate of Occupancy – March 1, 2023

Note: Construction schedule is preliminary and subject to change based on market conditions, weather, labor availability and other factors.

# UNOFFICIAL COPY

## EXHIBIT D

### PATH TO HOMEOWNERSHIP PROGRAM GUIDELINES

The City Administrator and Southland Development Authority may mutually agree to exercise an option to establish a Path to Homeownership Program (the "Program") limited to tenants living in an improved residence under this agreement. If the two parties mutually agree to exercise said option, it will be substantially in conformance with the guidelines as depicted in Exhibit D herein.

**Timeframe to Establish the Program.** Within 12 months of the execution of this agreement, the City Administrator and Southland Development Authority would be authorized to establish a Path to Homeownership program pursuant to a memorandum of understanding (MOU) between the two parties.

**Voluntary Participation.** Tenant participation in the Path to Homeownership program would be voluntary.

**Program Scope.** The Program scope would be defined in an MOU which would include but are not limited to the following provisions.

- (a) Homeownership counseling -- Homeownership counseling services would be delivered to tenants participating in the Program and it would be a mandatory element of the Program in order to obtain any incentives from the Program as described in section (d) below; qualified counselors with an established history of delivering counseling services would be mutually agreed on by the City and SDA.
- (b) Private bank financing -- The City and SDA would utilize best efforts to select private bank financing with below-market-rate terms, which would be made available to participating tenants seeking to become first-time home buyers.
- (c) Equity building -- The City and SDA would jointly establish a program to enable tenants to "build" down payment equity through a bank escrow program, through which the Southland Development Authority would coordinate the establishment of Individual Development of Equity Account (IDEA) contributions with a portion of each tenant's rent payments, to be allocated and reserved exclusively for a mortgage down payment enabling the tenant to become a homeowner.
- (d) Incentives to build equity - The City and Southland Development Authority would be jointly authorized to establish incentives to accelerate the tenant's building of down payment equity in the IDEA account, in collaboration with approved 3<sup>rd</sup> parties.
- (e) Third parties -- The City and SDA would utilize best efforts to fund the incentives to build equity through collaboration with external entities such as the Illinois Housing Development Authority (IHDA), select employers, and other sources.

City IDEA contributions, if any, would be limited to 50% of the tenant's contributions or \$100 per month, whichever is less.