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 RHSP Fee:\$10.00 Affidavit Fee:
 Karen A.Yarbrough
 Cook County Recorder of Deeds
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This agreement was prepared by and
 after recording return to:
 Judith A. El-Amin, Esq.
 City of Chicago Law Department
 121 North LaSalle Street, Room 600
 Chicago, IL 60602

OUNCE OF PREVENTION FUND REDEVELOPMENT AGREEMENT

This Ounce of Prevention Fund Redevelopment Agreement (this "**Agreement**") is made as of this 6th day of June, 2013, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing and Economic Development ("HED"), and Ounce of Prevention Fund, an Illinois not-for-profit corporation duly authorized to do business in the State of Illinois (the "Developer"). Capitalized terms not otherwise defined herein shall have the meaning given in Section 2.

RECITALS

A. City Council Authority: To induce redevelopment pursuant to provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act") the City Council of the City (the "City Council") adopted certain ordinances March 27, 2002: (1) approving a redevelopment plan for the 47th and King Drive Redevelopment Project Area (the "Redevelopment Area"); (2) designating the Redevelopment Area as a "redevelopment project area" under the Act; and (3) adopting tax increment allocation financing for the Area (the "TIF Adoption Ordinance" and collectively with items (1) and (2), the "TIF Ordinances"). The Redevelopment Area is legally described in Exhibit A hereto.

B. The Project: The Developer intends to undertake the redevelopment project described in Exhibit B hereto (the "Project") with respect to certain property owned by the Lessor, as defined in Section 2 herein, and leased by the Developer under a 99-year Ground Lease, as defined in Section 2 herein, and located within the Redevelopment Area and commonly known as 5044 South Wabash Avenue and legally described on Exhibit C (the "Property"). The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement. The Project will be carried out in accordance with this Agreement and the City of Chicago 47th and King Drive Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the "Redevelopment Plan").

C. City Financing: The City agrees to use Incremental Taxes to reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement.

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

"Affiliate" shall mean any person or entity directly or indirectly controlling, controlled by or under common control with the Developer.

"Annual Compliance Report" shall mean a signed report from the Developer to the City (a) itemizing each of the Developer's obligations under the RDA during the preceding calendar year, (b) certifying the Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer is not in default with respect to any provision of the RDA, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Jobs and Occupancy Covenants (Section 8.05); (2) delivery of Financial Statements (Section 8.13); (3) compliance with the Compliance Period (Section 8.05); (4) delivery of updated insurance certificates, if applicable (Section 8.14); (5) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); and (6) compliance with all other executory provisions of the RDA.

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

"City Council" shall have the meaning set forth in the Recitals hereof.

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

"City Funds" shall mean the funds described in Section 4.02 hereof.

"Closing Date" shall mean the date of execution and delivery of this Agreement, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

"Completion Date" shall mean the date the City issues its Certificate of Completion.

"Compliance Period" shall have the meaning as set forth in Section 8.05 hereof.

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

"Employer(s)" shall have the meaning set forth in Paragraph E of Exhibit D hereto.

"Employment Report" shall mean report submitted annually

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended.

"Equity" shall mean funds of the Developer (other than funds derived from Lender Financing, if any) in an amount not less than that set forth in Section 4.01 hereof.

"Event of Default" shall have the meaning set forth in Section 12 hereof.

"Full-Time Equivalent Employee" or "FTE" shall mean an employee of the Developer whose principal office is located on the Property and who works at least 35 hours per week. FTEs shall not include persons employed as independent contractors, or consultants. The number of jobs (FTE and part-time) shall be calculated based on monthly averages.)

"General Contractor" shall mean the general contractor(s) hired by the Developer for the Project.

"Ground Lease" shall mean the Indenture of Lease, dated April 1, 1998 by and between Chicago School Reform Board of Trustees on Behalf of the Board of Education of the City of Chicago, as Lessor, and The Ounce of Prevention Fund, as Lessee (the "Original Ground Lease"), as amended by the First Amendment to the Original Ground Lease, dated June 23, 2010 by and between the Lessor and the Lessee (the "First Amendment" together with the Original Ground Lease are collectively, the "Ground Lease").

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

"Jobs Goal" shall have the meaning as set forth in Section 8.05 hereof.

"Lender Financing" shall mean funds borrowed by the Developer from lenders and used to pay for Costs of the Project otherwise secured, if any, by the Property.

"Lessor" shall mean the Chicago Board of Education of the City of Chicago (formerly known as the Chicago School Reform Board of Trustees on Behalf of the Board of Education of the City of Chicago).

"MBE(s)" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the procurement program or the construction program, as applicable.

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit E-2.

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

"Non-Governmental Charges" shall mean all non-governmental charges, liens, claims, or encumbrances relating to the Developer, the Property or the Project.

"Occupancy Covenant" shall have the meaning as set forth in Section 8.05 hereof.

"Permitted Liens" shall mean those liens and encumbrances against the Property and/or the Project set forth on Exhibit F hereto.

"Prior Expenditure(s)" shall mean those prior expenditures relating to the Project set forth in Exhibit G hereto.

"Project Budget" shall mean the budget attached hereto as Exhibit E-1, showing the total cost of the Project by line item.

"Redevelopment Area TIF Fund" shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

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

"Reimbursement Event" shall mean an act or omission of by the Developer or its Affiliate resulting in an Event of Default relating to: (i) a material misrepresentation to the City related to the Project that the City relied upon (as reasonably determined by the City) in its decision to provide City Funds for the Project or to pay any such City Funds to the Developer; (ii) a fraudulent act or omission related to the Project; (iii) a misappropriation of funds from the uses set forth in the Project Budget resulting in the receipt by the Developer or its Affiliates of additional fees, commissions or compensation not disclosed in such Project Budget or otherwise approved in writing by HED; (iv) any intentional or material waste to the Project improvements or any portion thereof; (v) any unapproved use of City Funds for payment or reimbursement of amounts other than costs of the TIF-Funded Improvements; (vi) a breach of the transfer and assignment restrictions contained in this Agreement; (vii) any material breach of the representations, warranties or covenants regarding environmental matters contained in this

Agreement, as applicable; (viii) the occurrence of any material uninsured casualty event to any portion of the Project improvements unless the portion of the improvements damaged by such event is restored within a reasonable period of time; (ix) material misappropriation or misapplication of insurance proceeds or condemnation awards relating to the Project; (x) any material misrepresentation in any Economic Disclosure Statements and Affidavit submitted by the Developer or its Affiliates; (xi) any receipt of City Funds after the occurrence of an Event of Default, or the occurrence of an event which, if prompt notice of such event had been given, would have entitled the City to withhold, suspend, reduce or terminate the disbursement of such City Funds under this Agreement.

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit H, to be delivered by the Developer to HED pursuant to Section 4.03 of this Agreement.

"Survey" shall mean a survey of the Property prepared in accordance with Minimum Standard Detail Requirements adopted for ALTA/ACSM Land Title Surveys (2005 Revision), including such Table A requirements as the City may reasonably require, if any, dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property resulting from the Project, if any).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the earlier to occur of: (a) the date on which the Redevelopment Area is no longer in effect, and (b) the date on which the final payment of City Funds is made under this Agreement.

"TIF-Funded Improvements" shall mean those costs of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement, as set forth on Exhibit I, as the same may be amended with HED's consent.

"Title Company" shall mean

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

"WARN Act" shall mean the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

"WBE(s)" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise.

SECTION 3. THE PROJECT

3.01 The Project. The Developer commenced the Project on June 7, 2010 and completed the Project on October 24, 2010.

3.02 Project Budget. The Developer has furnished to HED, and HED has approved, the Project Budget. The Developer hereby certifies to the City that (a) it has Equity sufficient in an amount sufficient to pay for all Project costs, and (b) the Project Budget is true, correct and complete in all material respects. The Developer may not make any material change to the Project Budget without HED's prior written consent. For purposes of this Section 3.02, the term "material change" shall mean an increase of five percent (5%) or more of any line item in the Project Budget. Any consent by HED shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer.

3.03 HED Approval. Any approval granted by HED under this Agreement is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by HED pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project or otherwise lessen the Developer's obligations under Section 5.02.

3.04 Survey Update. On the Completion Date, the Developer shall provide an updated Survey if the Project added new improvements to the Property.

3.05 Signs and Public Relations. The Developer shall erect a sign in accordance with a template provided by HED, and subject to final approval by HED, in a conspicuous location on the Property during the Project indicating that financing has been provided by the City.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$2,552,445, which the Developer will initially fund from the following sources:

CPS Lease Payments*	\$ 375,000
Buffet Early Childhood Fund	500,000
Crown Family Foundation	250,000
Oscar G. & Elsa S. Mayer Family Foundation	100,000
Rauner Family Foundation	100,000
Marilyn and Larry Fields	50,000
Rothkopf Family Foundation	25,000
<u>Subtotal</u>	<u>\$1,400,000</u>
Equity	<u>\$1,152,445</u>
ESTIMATED TOTAL	<u>\$2,552,445</u>

*A one-time lease payment for use of the Project's parking lot for the remainder of the the Ground Lease.

Such sources of funds shall be used to pay all Project costs because no City Funds will be paid until the City's issuance of a Certificate, and then only as set forth in Section 4.02. Except for the City Funds, no other City financial assistance or incentives have been or will be provided for the Project.

4.02 Reimbursement from City Funds.

(a) Uses of City Funds. City Funds may only be used to reimburse the Developer after the issuance of a Certificate for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit I sets forth the maximum amount of costs that may be reimbursed from City Funds for each line item therein (subject to Section 4.02(b)), contingent upon receipt by the City of documentation satisfactory to HED.

(b) Payment of City Funds.

(i) Subject to the terms and conditions of this Agreement, the City hereby agrees to provide funds solely from Incremental Taxes to reimburse the Developer for the cost of TIF-Funded Improvements up to the maximum amounts determined under Section 4.02(b)(iii) (the "City Funds").

(ii) City Funds shall not be paid to the Developer hereunder prior to the issuance of a Certificate pursuant to Section 7.01.

(iii) Subject to the terms and conditions of this Agreement, at the issuance of the Certificate and annually thereafter, payments shall be made in five equal installments (each an "Installment") to the Developer on the later of February 1 next following the Developer's submission of a Requisition Form or two months after the Developer's submission of the Requisition Form, in accordance with Section 4.03 and the Annual Compliance Report in accordance with Section 8.05. Each Installment shall be in an annual amount of \$80,000 (with no more than one Installment paid to the Developer per calendar year); provided, however, that the City may elect to prepay the City Funds at HED's sole discretion; provided, further, in no event shall the City reimburse the Developer in excess of the lesser of (a) \$400,000, or (b) sixteen percent (16%) of the Project costs, as set out in the final Project Budget. Furthermore, in no instance shall the total City Funds paid under this Agreement, together with any other financial assistance provided to the Developer with respect to the Project exceed sixteen percent (16%) of the Project costs, as set out in the final Project Budget.

(iv) City Funds derived from Incremental Taxes shall be available to pay such costs and allocated for such purposes only so long as:

- (1) The amount of the Incremental Taxes is sufficient to pay for such costs;
- (2) The City has been paid the City Fee described in Section 4.05 below;
- (3) No Event of Default or condition for which the giving of notice or the passage of time, or both, would constitute an Event of Default exists under this Agreement; and

The Developer acknowledges and agrees that the City's obligation to pay any City Funds is contingent upon the fulfillment of the conditions set forth in parts (1), (2) and (3) above, as well as the prior issuance of the Certificate and the Developer's satisfaction of all other applicable terms and conditions of this Agreement, including, without limitation, compliance with the covenants in Section 8.05.

4.03 Requisition Form. On the Completion Date and on or before each October 31st (or such other date as the parties may agree to) thereafter and continuing throughout the Term of the Agreement, the Developer shall provide HED with a Requisition Form, along with the documentation described therein. Requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per year (or as otherwise permitted by HED). Upon HED's request, the Developer shall meet with HED to discuss any Requisition Form(s).

4.04 Prior Expenditures. Exhibit G hereto sets forth the prior expenditures approved by HED as of the date hereof.

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

4.06 Cost Overruns. The Developer shall be solely responsible for any Project costs in excess of those set forth in the Project Budget and shall hold the City harmless from any and all such costs.

4.07 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. Furthermore, after the issuance of the Certificate pursuant to Section 7.01, it shall be in HED's sole discretion to make any payment pursuant to this Agreement upon and after the occurrence of any action described in Section 8.01(j) for which the Developer did not receive the prior written consent of the City. The payment of City Funds is subject to being terminated and/or reimbursed as provided in Section 12.

SECTION 5. CONDITIONS PRECEDENT

The Developer must satisfy the following conditions before the City will execute and deliver this Agreement, unless such conditions are waived in writing by the City:

5.01 Project Budget. HED must have approved the Project Budget.

5.02 Other Governmental Approvals. The Developer must have secured all necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to HED. Such approvals shall include, without limitation, all building permits necessary for the Project; provided, however, that if the City agrees to close before construction commences, such building permits shall be secured prior to commencement of any such construction work.

5.03 Financing. The Developer must have furnished proof reasonably acceptable to the City that it has Equity and Lender Financing, if any, to complete the Project. Any liens against

the Property in existence at the Closing Date must have been subordinated to this Agreement pursuant to a Subordination Agreement in the form of Exhibit J to be recorded, at the expense of the Developer, with the Recorder's Office of Cook County.

5.04 Acquisition of Leasehold Interest and Title. The Developer must have furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the Developer as the named insured, along with copies of all Schedule B title exception documents. The Title Policy must be dated as of the Closing Date and contain only those title exceptions listed on Exhibit F hereto and evidence the recording of this Agreement pursuant to the provisions of Section 8.13 hereof. The Title Policy must contain such endorsements as may be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. If the Project involves any acquisition of real property, the Developer must have provided HED with documentation related to such acquisition.

5.05 Evidence of Clean Title. The Developer, at its own expense, must have provided the City with searches under (a) its name and (b) Chicago Public Schools as follows:

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

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

5.06 Surveys. The Developer must have furnished the City with three (3) copies of the Survey.

5.07 Insurance. The Developer, at its own expense, must have insured the Property in accordance with Exhibit L hereto, and delivered to HED actual policies or Accord Form 27 certificates evidencing the required coverages.

5.08 Opinion of the Developer's Counsel. On the Closing Date, the Developer must have furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit K, with such changes as may be acceptable to Corporation Counsel.

5.09 Evidence of Prior Expenditures. The Developer must have provided evidence satisfactory to HED in its sole discretion of the Prior Expenditures.

5.10 Financial Statements. The Developer must have provided HED with such financial statements as HED may reasonably require.

5.11 Documentation. The Developer must have provided documentation to HED, satisfactory in form and substance to HED, with respect to the Occupancy Covenant and the Jobs Goal pursuant to per Section 8.05.

5.12 Environmental. The Developer must have provided HED with copies of any existing phase I environmental audits completed with respect to the Property and any phase II environmental audit with respect to the Property required by the City. The Developer has provided a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.13 Corporate Documents; Economic Disclosure Statement. The Developer must have provided a copy of its articles of incorporation containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and the State of Illinois; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws and such other corporate documentation as the City has requested. The Developer must also have provided the City with an Economic Disclosure Statement dated as of the Closing Date.

5.14 Litigation. The Developer must have provided to Corporation Counsel and HED a description of all pending or threatened litigation or administrative proceedings involving the Developer and the Property.

SECTION 6. AGREEMENTS WITH CONTRACTORS AND CONSTRUCTION REQUIREMENTS

In connection with the Project, the Developer, general contractor and all subcontractors have complied with, the construction requirements set forth in Exhibit D that are applicable to such parties. Such requirements are specific City requirements that must be satisfied and include, without limitation, wage, MBE/WBE utilization and City resident hiring requirements.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the of the Project in accordance with the terms of this Agreement and upon the Developer's written request, HED shall either issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project (exclusive of the covenant contained in Section 8.05 herein) in accordance with the terms of this Agreement or a written statement detailing the measures which must be taken in order to obtain the Certificate. HED may require a single inspection by an inspecting architect hired at the Developer's expense to confirm the completion of the Project. The Developer may resubmit a written request for a Certificate upon completion of such measures.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the performance of the work associated with the Project improvements. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein unrelated to such work will remain in effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 8.02, 8.05 and 8.14 as covenants that run with the land will bind any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement or such shorter period as may be explicitly provided for therein. The other executory terms of this Agreement shall be binding only upon the Developer or a permitted assignee under Section 15.15 of this Agreement.

7.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, no Certificate will ever be issued, and the City will have the right to terminate this Agreement. If this occurs, no City Funds will ever be paid to the Developer. In addition, if the Project's TIF-Funded Improvements include any public improvements, the City will have the right (but not the obligation) to complete such public improvements and the Developer must immediately reimburse the City for all reasonable costs and expenses incurred in completing such public improvements.

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

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

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

(a) the Developer is an Illinois not-for profit corporation duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

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

(d) during the term of this Agreement, the Developer and any and all assignees thereof will continue to own good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon), or a leasehold interest therein, free and clear of all liens except for the Permitted Liens and such other matters as HED may consent to in writing;

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

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

(g) the Developer has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary, as and when required, to conduct its business and to construct, complete and operate the Project;

(h) the Developer is not in default with respect to any agreement or instrument related to the borrowing of money to which the Developer is bound or for which the Property serves as collateral;

(i) any financial statements provided to the City are and will be, at the time of submittal, true, complete and correct in all material respects;

(j) prior to the issuance of the Certificate pursuant to Section 7.01, the Developer shall not directly or indirectly do any of the following without the prior written consent of HED, which consent shall be in HED's sole discretion: (1) be a party to any merger, liquidation or consolidation; (2) sell (including, without limitation, any sale and leaseback), transfer, convey or otherwise dispose of all or substantially all of its assets or any portion of the Property; (3) enter into any transaction outside the ordinary course of Developer's business; or (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligation of any other person or entity if such action would materially adversely affect the ability of the Developer to fulfill its obligations under this Agreement;

(k) after the issuance of the Certificate pursuant to Section 7.01, the Developer shall provide written notice upon the occurrence of any event described in clause (j) above;

(l) the Developer has not entered into any transaction that would cause a material and detrimental change to its financial condition;

(m) the Developer has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into the Agreement or any City Contract with the Developer in violation of Chapter 2-156-120 of the Municipal Code of the City;

(n) neither the Developer nor any affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (n) only, the term "affiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through shared ownership, a trust, a contract or otherwise; and

(o) Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in

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

Developer represents and warrants that from the later of (i) February 10, 2005, or (ii) the date the City approached the Developer or the date the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

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

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No.05-1.

Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 05-1 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 05-1 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fundraising committee.

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

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

Individuals are "Domestic Partners" if they satisfy the following criteria:

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

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

8.02 Covenant to Redevelop. The Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the Redevelopment Plan, the TIF Ordinances, the Project Budget and all amendments thereto, and all applicable federal, state and local laws, ordinances, rules, regulations, executive orders and codes. The covenants set forth in this Section shall run with the land but shall be deemed satisfied and shall terminate when the City issues its Certificate for recording in the Recorder's Office of Cook County.

8.03 Use of City Funds. City Funds shall be used by the Developer solely to reimburse the Developer for its payment for the TIF-Funded Improvements.

8.04 Bonds. The Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area; provided, however, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto. If any such bonds are issued, the City may use the proceeds thereof to reimburse the Developer for any amounts remaining due under this Agreement.

8.05 Jobs Goal and Occupancy Covenant and Compliance Period. The Developer shall use its commercially reasonable efforts to maintain Sixty (60) full-time equivalent permanent jobs at the Facility ("Jobs Goal") within twelve months after the issuance of the Certificate through the fifth anniversary of the date of the Certificate ("Compliance Period"), as evidenced in the Annual Compliance Report as defined in Section 2 herein. However, any shortfall of the Jobs Goal will not be deemed an Event of Default. The Developer covenants to expand the operations of its business to the Family Center and to continue to operate within the entire Facility during the Compliance Period (the "Occupancy Covenant")

8.06 Arms-Length Transactions. Except as provided for in Section 12.01, unless HED has given its prior written consent with respect thereto, no Affiliate of the Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. The Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using City Funds, or otherwise), upon HED's request, prior to any such disbursement.

8.07 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, the Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Developer's business, the Property or any other property in the Redevelopment Area.

8.08 Disclosure of Interest. The Developer's counsel has no direct or indirect financial ownership interest in the Developer, the Property or any other aspect of the Project.

8.09 Financial Statements. The Developer shall provide HED with audited financial statements for each fiscal year within 90 days of the close of such fiscal year and, at HED's request, shall provide such interim unaudited financial statements as HED may require.

8.10 Insurance. The Developer shall provide and maintain during the Term of the Agreement, and cause other applicable parties to provide and maintain, the insurance coverages specified in Exhibit L.

8.11 Non-Governmental Charges. Except for the Permitted Liens, and subject to the next sentence, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charges. The Developer has the right, before any delinquency occurs, to contest any Non-Governmental Charge by appropriate legal proceedings properly and diligently prosecuted, so long as such proceedings serve to prevent any sale or forfeiture of the Property.

8.12 Compliance with Laws. The Property and the Project are and shall be owned and operated in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes.

8.13 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property in the Recorder's Office of Cook County. If the Permitted Liens include any existing mortgages, such mortgagee must execute a subordination agreement in the form of Exhibit J.

8.14 Real Estate Provisions; Governmental Charges. Subject to the next paragraph, the Developer will pay when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project. "Governmental Charge" shall mean all federal, State, county, City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to the Developer, the Property or the Project, including, but not limited to, general real estate taxes.

The Developer has the right, before any delinquency occurs, to contest any Governmental Charge by appropriate legal proceedings properly and diligently prosecuted, so long as such proceedings serve to prevent any sale or forfeiture of the Property.

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

SECTION 9. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that it has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with the requirements of all Environmental Laws and this Agreement. The Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City and relating to the Project or the Property.

SECTION 10. INDEMNIFICATION

The Developer agrees to indemnify, pay, defend and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an "Indemnitee," and collectively the "Indemnitees") harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (and including without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnitees shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner directly or indirectly relating or arising out of this Agreement or the Project. The provisions of the undertakings and indemnification set out in this Section 10 shall survive the termination of this Agreement.

SECTION 11. MAINTAINING RECORDS/RIGHT TO INSPECT

The Developer shall (a) comply with the requirements of Paragraph H of Exhibit D during the Term of the Agreement and cause the other applicable parties to comply with such requirements, and (b) upon three (3) business days' notice, permit any authorized representative of the City to have access to all portions of the Project and the Property during normal business hours to confirm the Developer's compliance with its obligations under this Agreement.

SECTION 12. DEFAULT AND REMEDIES

12.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 12.03, shall constitute an "Event of Default" by the Developer hereunder:

(a) the failure of the Developer to comply with any covenant or obligation, or the breach by the Developer of any representation or warranty, under this Agreement or any related agreement;

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

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

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

(e) the commencement of any bankruptcy, insolvency, liquidation or reorganization proceedings under any applicable state or federal law, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

(g) the entry of any judgment or order against the Developer or the Property which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

(h) the dissolution of the Developer or the death of any natural person who owns a 50% or more ownership interest in the Developer, unless, in the case of a death, the Developer establishes to the HED's satisfaction that such death shall not impair the Developer's ability to perform its executory obligations under this Agreement;

(i) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer or any natural person who owns 5% or more ownership interest in the Developer, which is not dismissed within thirty (30) days, or the indictment of the Developer or any natural person who owns such a material interest in the Developer, for any crime (other than a misdemeanor);

(j) after the issuance of the Certificate, the sale or transfer of all or a portion of the ownership interests of the Developer without the prior written notice to the City; or

(k) the occurrence of any Reimbursement Event.

12.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy. However, the City shall not be entitled to recover any City Funds previously paid to the Developer unless the Event of Default involves a Reimbursement Event.

12.03 Curative Period. In the event the Developer fails to perform any covenant or obligation or breaches any representation or warranty which the Developer is required to perform under this Agreement, an Event of Default shall not be deemed to have occurred unless the Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured. No such cure period, however, shall apply to Events of Default described in Section 12(e), (f), (g), (h) or (i), which defaults shall have the cure periods described therein, if any. In addition, no cure period shall apply to any Reimbursement Event.

12.04 Occupancy Covenant Default.

(a) While subject to the occupancy requirements of Section 8.05, if the Developer shall fail to (1) submit an Annual Report for any Compliance Period, or (2) maintain the Occupancy Covenant for a Compliance Period (each an "Occupancy Default"), then Developer shall receive no Installment for such Compliance Period. The Developer, however, shall be entitled to receive subsequent Installments for a Compliance Period so long as Developer is in compliance with the terms and conditions of this Agreement.

(b) If the Developer submits an Annual Report which describes an Occupancy Covenant Default, Developer shall (1) provide the HED with evidence, satisfactory to HED, that it will achieve the Occupancy Covenant for the following Compliance Period, and (2) continue to deliver Annual Reports and maintain the Occupancy Covenant until the completion of the Compliance Period.

SECTION 13. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on Exhibit F hereto. No mortgagee shall have the right to succeed to the Developer's rights under this Agreement unless it complies with the first sentence of Section 15.15 hereof.

SECTION 14. NOTICE

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

If to the City:	City of Chicago Department Community Development 121 North LaSalle Street, Room 1000 Chicago, IL 60602 Attention: Commissioner
With Copies To:	City of Chicago Department of Law Finance and Economic Development Division 121 North LaSalle Street, Room 600 Chicago, IL 60602
If to the Developer:	Ounce of Prevention Fund 33 W Monroe, Suite 2400 Chicago, IL 60603 Attention: Sarah Bradley
With Copies To:	Richard F. Klawiter, Esq. DLA Piper US, LLP 203 N LaSalle Street, Suite 1900 Chicago, Illinois 60601-1293

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to clause (a) hereof shall be deemed received upon such personal service. Any notice, demand or request sent pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (c) shall be deemed received two (2) business days following deposit in the mail.

SECTION 15. MISCELLANEOUS

15.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibit A hereto without the consent of any party hereto, and HED may grant consents as explicitly provided for under

certain sections of this Agreement. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 15.01 shall be defined as any deviation from the terms of the Agreement which operates to materially reduce the scope of the Project, to materially change the Project or business operations of the Developer at the Property, or increases the City Funds payable to the Developer.

15.02 Entire Agreement. This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

15.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

15.04 Further Assurances. The Developer agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

15.05 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any such parties' rights or of any obligations of any other party hereto as to any future transactions.

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

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

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

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

15.10 Severability. If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this

Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

15.11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances, and any bond ordinances relating to the Redevelopment Area, if any, such ordinance(s) shall prevail and control.

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

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

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

15.15 Assignment.

(a) Prior to the issuance of the Certificate, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City, which consent shall be in the City's sole discretion and which, if granted, may be conditioned upon, among other things, the assignee's assumption of all of the Developer's obligations under this Agreement.

(b) After the issuance of the Certificate, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without providing written notice thereof to the City, whereupon any payments made by the City shall be in its sole discretion and may be conditioned upon, among other things, the assignee's assumption of all of the Developer's obligations under this Agreement.

The foregoing limitations set forth in (a) and (b) above shall not prevent the Developer from collaterally assigning to a lender that is also providing financing for the Project the Developer's right to receive the payment of City Funds as security for such lender financing. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

15.16 Binding Effect. This Agreement shall be binding upon the Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Developer, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

15.17 Force Majeure. Neither the City nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

15.18 Exhibits. All of the exhibits attached hereto are incorporated herein by reference.

15.19 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if the Developer is required to provide notice under the WARN Act, the Developer shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and Minority Leader of the Senate of State, and the Mayor of each municipality where the Developer has locations in the State. Failure by the Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

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

15.21 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses, including attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject to any limits under applicable law, attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgement collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

15.22 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or

any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

15.23 Debarment Certification. Failure by the Developer or any controlling person, as defined in Section 1-23-010 of the Municipal Code, thereof to maintain eligibility to do business with the City as required by Section 1-23-030 of the Municipal Code shall be grounds for termination of this Agreement and the transactions contemplated thereby.

15.24 Inspector General and Legislative Inspector General. It is the duty of the Developer, any subgrantee, bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of any such Subgrantee, bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. The Developer represents that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code and that the Developer will inform subcontractors of this provision and require their compliance.

It is the duty of the Developer, any subgrantee, bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of the Developer, any such subgrantee, bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to Chapter 2-55 of the Municipal Code. The Developer represents that it understands and will abide by all provisions of Chapter 2-55 of the Municipal Code and that the Developer will inform subcontractors of this provision and require their compliance.

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

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

OUNCE OF PREVENTION FUND

By: Steve Brady
Its: Chief Operating Officer

CITY OF CHICAGO, acting by and through its
Department of Housing and Economic
Development

By: _____

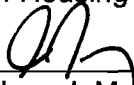
Its: _____

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

OUNCE OF PREVENTION FUND

By: _____
Name: _____
Its: _____

CITY OF CHICAGO, acting by and through its
Department of Housing and Economic Development

By:  _____
Andrew J. Mooney
Commissioner

STATE OF ILLINOIS)

) ss

COUNTY OF COOK)

I, Javonda Craig-Freeman, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Sarah Bradley, personally known to me to be the Chief Operating Officer of Ounce of Prevention Fund, an Illinois not-for-profit (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Board of Directors of the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 6th day of June, 2013


Notary Public

My Commission Expires 09/14/15

(SEAL)



STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, Patricia Sulewski, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Andrew J. Mooney, personally known to me to be the Commissioner of the Department of Housing and Economic Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed, sealed, and delivered said instrument pursuant to the authority given to her by the City, as her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 6th day of June, 2013.



Patricia Sulewski
Notary Public

My Commission Expires 5/7/14

(SEAL)

LIST OF EXHIBITS

Exhibit A	*Legal Description of Redevelopment Area
Exhibit B	*Description of Project
Exhibit C	*Legal Description of Property
Exhibit D	*Construction Requirements
Exhibit E-1	*Project Budget
Exhibit E-2	*MBE/WBE Project Budget
Exhibit F	*Permitted Liens
Exhibit G	Approved Prior Expenditures
Exhibit H	Requisition Form
Exhibit I	*TIF-Funded Improvements
Exhibit J	Form of Subordination Agreement
Exhibit K	Opinion of Developer's Counsel
Exhibit L	Insurance Requirements

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

EXHIBIT A

Legal Description of the Redevelopment Area

See Attachment



*Legal Description Of 47th/King Drive
Redevelopment Project Area.*

All that part of Sections 3, 4, 9 and 10 in Township 38 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

beginning at the point of intersection of the south line of West 51st Street with the west line of South State Street; thence north along said west line of South State Street to the westerly extension of the north line of Lot 46 in Sam Wing's Resubdivision of Block 4 in Prior and Hopkin's Subdivision of the west half of the northwest quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, said north line of Lot 46 being also the south line of East 40th Street; thence east along said westerly extension and the south line of East 40th Street to the east line of South Indiana Avenue; thence north along said east line of South Indiana Avenue to the south line of Lot 7 in Block 1 of Springer's Subdivision of the north half of the west half of the northeast quarter of the northwest quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, said south line of Lot 7 being also the north line of the alley south of East Pershing Road; thence east along said north line of the alley south of East Pershing Road to the west line of Lot 3 in said Block 1 of Springer's Subdivision; thence south along said west line of Lot 3 in Block 1 of Springer's Subdivision to the south line of said Lot 3; thence east along said south line of said Lot 3 in Block 1 of Springer's Subdivision and along the easterly extension thereof to the east line of South Prairie Avenue; thence north along said east line of South Prairie Avenue to the south line of Lot 4 in Block 2 of said Springer's Subdivision, said south line of Lot 4 being also the north line of the alley south of East Pershing Road; thence east along said north line of the alley south of East Pershing Road and along the easterly extension thereof to the west line of Lot 3 in Wallace R. Martin's Subdivision of the north 100 feet of Lot 1 in the Circuit Court Partition of the east half of the northeast quarter of the northwest quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian (except that part thereof taken for Grand Boulevard); thence south along said west line of Lot 3 in Wallace R. Martin's Subdivision to the south line thereof; thence east along said south line of Lot 3 in Wallace R. Martin's Subdivision and along the south line of Lots 2 and 1 in said Wallace R. Martin's Subdivision to the east line of said Lot 1, said east line of Lot 1 in Wallace R. Martin's Subdivision being also the west line of South Dr. Martin Luther King, Jr. Drive; thence south along said west line of South Dr. Martin Luther King, Jr. Drive to the westerly extension of the north line of Lot 2 in Cleaver and Sherman's Subdivision of the north 10 acres of the south 10 acres and the south 10 acres

of the north 20 acres in the northwest quarter of the northeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian; thence east along said westerly extension to the east line of said South Dr. Martin Luther King, Jr. Drive; thence south along said east line of South Dr. Martin Luther King, Jr. Drive to the centerline of East 41st Street; thence west along said centerline of East 41st Street to the northerly extension of a line 28.00 feet west of and parallel with the west line of Block 2 of George S. Bowen's Subdivision of the north half of the north half of the southwest quarter of the northeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian; thence south along said northerly extension and a line 28.00 feet west of and parallel with the west line of said Block 2 of George S. Bowen's Subdivision and along the southerly extension thereof to the westerly extension of the centerline of East Bowen Avenue, said centerline of East Bowen Avenue being a line 40 feet south of and parallel with the south line of said Block 2 of George S. Bowen's Subdivision; thence east along said westerly extension and the centerline of East Bowen Avenue to the northerly extension of the easterly line of Lot 1 in the subdivision of the south 10 feet of Lot 1 and all of Lots 2, 3 and 4 in Block 2 of Jennings' Subdivision of the south half of the north half of the southwest quarter of the northeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, said easterly line of Lot 1 being also the westerly line of South Vincennes Avenue; thence south along said northerly extension and the westerly line of South Vincennes Avenue to the southeast corner of Lot 36 in Botford's Boulevard Subdivision of that part of the south half of the south half of the southwest quarter of the northeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian lying west of South Vincennes Avenue (except that part condemned for West Pierce Avenue), said southeast corner of Lot 36 being also the point of intersection of the westerly line of South Vincennes Avenue with the north line of East 43rd Street; thence south along a straight line to the northeast corner of Lot 35 in the subdivision of that part of the north half of the northwest quarter of the northwest quarter of the southeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, said northeast corner of Lot 35 being also the point of intersection of the west line of South Vincennes Avenue with the south line of East 43rd Street; thence south along said west line of South Vincennes Avenue to the south line of Lot 42 in said subdivision of that part of the north half of the northwest quarter of the northwest quarter of the southeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian; thence west along said south line of Lot 42 in the subdivision of that part of the north half of the northwest quarter of the northwest quarter of the southeast quarter of said Section 3 to the east line of Lot 9 in Emigh and Kilmer's Plat of that part west of South Vincennes Avenue of the south half of the northwest quarter of the northwest quarter of the southeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, said east line of Lot 9 being also the west line of South Vincennes Avenue; thence south along said west line of South Vincennes Avenue to the south line of East 44th Street; thence east along said south line of East 44th Street to the

west line of South St. Lawrence Avenue; thence south along said west line of South St. Lawrence Avenue to the south line of East 47th Street; thence west along said south line of East 47th Street to the east line of South Forestville Avenue; thence south along said east line of South Forestville Avenue to the south line of East 49th Street; thence west along said south line of East 49th Street to the east line of South Dr. Martin Luther King, Jr. Drive; thence south along said east line of South Dr. Martin Luther King, Jr. Drive to the south line of Lot 5 in Henneberry's Subdivision of the west one acre of Lot 8 in Lavinia and Company's Subdivision of Garden and Cottage Lots of the south quarter of the northeast quarter of Section 10, Township 38 North, Range 14 East of the Third Principal Meridian; thence east along said south line of Lot 5 in Henneberry's Subdivision to the west line of Lot 1 in the subdivision of Lots 9, 10 and 11 in Lavinia and Company's Subdivision of Garden and Cottage Lots of the south quarter of the northeast quarter of Section 10, Township 38 North, Range 14 East of the Third Principal Meridian, said west line of Lot 1 being also the east line of South Dr. Martin Luther King, Jr. Drive; thence south along said east line of South Dr. Martin Luther King, Jr. Drive and along the southerly extension thereof to the south line of East 51st Street; thence west along said south line of East 51st Street to the point of beginning at the west line of South State Street, all in the City of Chicago, Cook County, Illinois.

Exhibit "D".
(To Ordinance)

*Street Location Of 47th/King Drive
Redevelopment Project Area.*

The 47th/King Drive Redevelopment Project Area is located on the south side of the city, approximately 5 miles south of the Chicago Loop. A location map is attached. The area covers approximately 322 acres and includes 1,235 buildings along with City rights-of-way. The area is generally bounded by East Pershing Road on the north, South St. Lawrence Avenue and South Dr. Martin Luther King, Jr. Drive on the east, South State Street on the west and East 51st Street on the south.

[Location Map referred to in this Street Location of
47th/King Drive Redevelopment Project Area
constitutes Exhibit "E" to the ordinance
and is printed on page 81457
of this Journal.]

EXHIBIT B

Description of the Project

The Project shall be completed in accordance with the plans and specifications and the signage requirements described below, copies of which have been provided to HED and which are a part of the Construction Contract.

The Project consists of the renovation of the existing 24,000 square foot building (the "Educare Center") and site preparation for the construction of a 7,800 square foot addition, a Family Activity and Resource Center, to the Educare Center (the "Family Center" together with the Educare Center is the "Facility") on property located at 5044 South Wabash Avenue (the "Property"). The Chicago Board of Education ("CPS") owns the Property and the Developer has a ground lease with CPS. The Educare Center is an early childhood education center that houses a total of 13 classrooms, a training room, offices, an industrial kitchen, two gyms, and a secure guarded entrance. The addition will connect to the Educare center via a breezeway and house the Family Center. The renovation in the Educare Center will provide much needed meeting space, a child's assessment space, a new ADA bathroom and updated staff break area. The area within the Educare Center will be demolished and all walls, flooring, ceilings, and fixtures will be newly constructed.

EXHIBIT C

Legal Description of Property

Legal Description: THAT PART OF LOTS 1 THROUGH 48, INCLUSIVE, IN BLOCK 3 AND LOTS 5 THROUGH 48, INCLUSIVE, IN BLOCK 4, IN WILLIAMS M. DERBY'S SUBDIVISION, BEING A SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 11, 1867, ANTE-FIRE, RE-RECORDED OCTOBER 4, 1870, ANTE-FIRE, RE-RECORDED OCTOBER 22, 1872, PER DOCUMENT NUMBER 63833, IN PLAT BOOK 3, PAGE 18, AND SUB-LOTS 1 THROUGH 4, INCLUSIVE, IN HARRIS AND MCGIMSIE'S RESUBDIVISION, BEING A SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 2, 1901, PER DOCUMENT NUMBER 3049436, IN PLAT BOOK 79, PAGE 41, ALSO THAT PART OF A 20 FOOT WIDE ALLEY, IN BLOCK 4, IN THE AFORESAID WILLIAMS M. DERBY'S SUBDIVISION, VACATED BY ORDINANCE PASSED DECEMBER 21, 1939, RECORDED JANUARY 22, 1940, PER DOCUMENT NUMBER 12425365, IN BOOK 332, PAGE 29, ALSO THAT PART OF 50TH STREET, LYING BETWEEN LOTS 3 AND 4, IN THE AFORESAID WILLIAMS M. DERBY'S SUBDIVISION, VACATED BY ORDINANCE PASSED DECEMBER 21, 1939, RECORDED JANUARY 22, 1940, PER DOCUMENT NUMBER 12425365, ALL IN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTHERLY LINE OF SAID VACATED 50TH STREET AND THE EASTERLY LINE OF SOUTH STATE STREET; THENCE SOUTH 00 DEGREES 05 MINUTES 11 SECONDS WEST, ALONG SAID EASTERLY LINE, TO THE POINT OF BEGINNING, THENCE SOUTH 89 DEGREES 54 MINUTES 49 SECONDS EAST, ALONG A LINE PERPENDICULAR TO THE LAST DESCRIBED COURSE, 238.04 FEET; THENCE SOUTH 00 DEGREES 09 MINUTES 13 SECONDS WEST, ALONG A LINE PERPENDICULAR TO THE LAST DESCRIBED COURSE AND PARALLEL WITH THE WESTERLY LINE OF SOUTH WABASH AVENUE, 294.97 FEET; THENCE SOUTH 89 DEGREES 50 MINUTES 47 SECONDS EAST, ALONG A LINE PERPENDICULAR TO THE LAST DESCRIBED COURSE, 103.36 FEET, TO THE WESTERLY LINE OF SAID SOUTH WABASH AVENUE; THENCE SOUTH 00 DEGREES 09 MINUTES 13 SECONDS WEST, ALONG SAID WESTERLY LINE, 238.32 FEET; THENCE NORTH 89 DEGREES 50 MINUTES 47 SECONDS WEST, ALONG A LINE PERPENDICULAR TO THE LAST DESCRIBED COURSE, 167.67 FEET, TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 8.00 FEET, AN ARC LENGTH OF 10.73 FEET AND A CHORD BEARING OF NORTH 51 DEGREES 26 MINUTES 20 SECONDS WEST, TO A POINT OF TANGENCY; THENCE NORTH 13 DEGREES 01 MINUTES 53 SECONDS WEST, 7.80 FEET, TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 12.00 FEET, AN ARC LENGTH OF 13.34 FEET AND A CHORD BEARING OF NORTH 44 DEGREES 52 MINUTES 05 SECONDS WEST, TO A POINT OF TANGENCY; THENCE NORTH 76 DEGREES 42 MINUTES 17 SECONDS WEST, 11.90 FEET, TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 16.00 FEET, AN ARC LENGTH 17.91 FEET AND A CHORD BEARING OF NORTH 44 DEGREES 38 MINUTES 09 SECONDS WEST, TO A POINT OF TANGENCY; THENCE NORTH 12 DEGREES 34 MINUTES 02 WEST, 11.99 FEET, TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 12.00 FEET, AN ARC

EXHIBIT C

Legal Description of Property (Continued)

LENGTH OF 13.43 FEET AND A CHORD BEARING OF NORTH 44 DEGREES 37 MINUTES 34 SECONDS WEST, TO A POINT OF TANGENCY; THENCE NORTH 76 DEGREES 41 MINUTES 06 SECONDS WEST, 11.28 FEET, TO A LINE PARALLEL WITH THE EASTERLY LINE OF SAID SOUTH STATE STREET; THENCE NORTH 00 DEGREES 05 MINUTES 11 SECONDS EAST, ALONG SAID PARALLEL LINE, 148.66 FEET; THENCE NORTH 89 DEGREES 54 MINUTES 49 SECONDS WEST, PERPENDICULAR TO THE EASTERLY LINE OF SAID SOUTH STATE STREET, 108.50 FEET, TO SAID EASTERLY LINE; THENCE NORTH 00 DEGREES 05 MINUTES 11 SECONDS EAST, ALONG SAID EASTERLY LINE, 323.69 FEET, TO THE POINT OF BEGINNING.

THE AFOREMENTION PARCEL HAS AN AREA OF 2.905 ACRES (126,559 SQUARE FEET), MORE OR LESS.

Permanent Index Numbers: 20-10-118-001, 20-10-118-002, 20-10-118-003

Commonly known as: 5044 S. Wabash Avenue

EXHIBIT D

Construction Requirements

A. Construction Contract. Upon HED's request, the Developer must provide HED with a certified copy of the construction contract, together with any modifications, amendments or supplements thereto, and upon HED's request, a copy of any subcontracts.

B. Performance and Payment Bonds. Prior to the commencement of any portion of the Project which includes work on the public way, the Developer must require the General Contractor to be bonded for its payment by sureties having an AA rating or better using a bond in a form acceptable to the City. The City shall be named as obligee or co-obligee on any such bonds.

C. Employment Profile. Upon HED's request, the Developer, the General Contractor and all subcontractors must submit to HED statements of their respective employment profiles.

D. Prevailing Wage. The Developer, the General Contractor and all subcontractors have paid the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all persons working on the Project. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Paragraph D.

E. Employment Opportunity. The Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property (collectively, with the Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

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

ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

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

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

(5) Each Employer shall include the foregoing provisions of subparagraphs (1) through (4) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

(6) Failure to comply with the employment obligations described in this Paragraph E shall be a basis for the City to pursue its remedies under the Redevelopment Agreement.

F. City Resident Construction Worker Employment Requirement. During the construction of the Project, the Developer, the General Contractor and each subcontractor have complied with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer, its General Contractor and each subcontractor have made good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

The Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

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

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

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent)

shall be submitted to the Commissioner of HED in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

The Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of HED, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. The Developer, the General Contractor and each subcontractor shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project.

At the direction of HED, affidavits and other supporting documentation will be required of the Developer, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

Good faith efforts on the part of the Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Paragraph concerning the worker hours performed by actual Chicago residents.

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

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

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

G. The Developer's MBE/WBE Commitment. The Developer and the General Contractor have complied with the requirements set forth herein and agree that during the Project:

(1) Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE" Program"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Paragraph G, during the course of the Project, at least the following percentages of the MBE/WBE Budget attached hereto as Exhibit E-2 (as these budgeted amounts may be reduced to reflect decreased actual costs) shall be expended for contract participation by MBEs or WBEs:

- i. At least 24 percent by MBEs.
- ii. At least 4 percent by WBEs.

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

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

(4) Prior to the City's issuance of a Certificate, the Developer shall provide to HED a final report describing its efforts to achieve compliance with this MBE/WBE commitment. Such report shall include inter alia the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist HED in determining the Developer's compliance with this MBE/WBE commitment. HED has access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with the Redevelopment Agreement, on five (5) business days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

(5) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this Subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.

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

(7) Prior to the commencement of the Project, the Developer, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of HED with regard to the Developer's compliance with its obligations under this Paragraph G. During this meeting, the Developer shall demonstrate to HED its plan to achieve its obligations under this Paragraph G, the sufficiency of which shall be approved by HED. During the Project, the Developer shall, upon the request of the monitoring staff of HED, such interim reports as the monitoring staff may require. Failure to submit such documentation on a timely basis, or a determination by HED, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder.

H. Books and Records. The Developer, the general contractor and each subcontractor shall keep and maintain books and records that fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto and as otherwise necessary to evidence the Developer's compliance with its obligations under this Agreement, including, but not limited to, payroll records, general contractor's and subcontractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices and the like. Such books and records shall be available at the applicable party's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense.

I. Incorporation in Other Contracts. **[Intentionally Omitted]**

EXHIBIT E-1

Project Budget

<u>Uses</u>	<u>Amount</u>
Hard Construction Costs	\$ 1,704,309
Construction Contingency	165,000
General Conditions	175,000
Contractor Fee	157,290
Insurance	22,260
Architectural Fee	117,500
Design Fee	8,360
Survey and Engineering	39,107
MEP (Mechanical, Electrical, Plumbing)	7,150
Legal Fees	16,448
Landscape Plan	19,415
Soil Boring and Engineering Report	5,256
Project Management	115,350
Total	\$ 2,552,445

EXHIBIT E-2

MBE/WBE Project Budget

Hard Costs of Construction	\$1,704,309
Contingency	\$ 165,000*
Total	\$1,869,309

*To the extent that the contingency monies are expended for the hard costs construction they will count towards the MBE/WBE requirement.

EXHIBIT F

Permitted Liens

1. Liens or encumbrances against the Property:

Those matters set forth as Schedule B title exceptions in the owner's title insurance policy issued by the Title Company as of the date hereof, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, as follows:

EXHIBIT G

Approved Prior Expenditures

[Intentionally Omitted]

EXHIBIT H

Requisition Form

[Intentionally Omitted]

EXHIBIT I

TIF-Funded Improvements

<u>Line Item</u>	<u>Cost</u>
Renovations	\$ 98,098
Site Preparation	\$479,791
TOTAL	\$577,889*

* The maximum amount of City Funds provided to the Developer shall not exceed \$400,000.

EXHIBIT J

Form of Subordination Agreement

[Intentionally Omitted]

EXHIBIT K

Opinion of Developer's Counsel

[Intentionally Omitted]

EXHIBIT L

Insurance Requirements

[Intentionally Omitted]