

**FY 2024**

**ANNUAL TAX INCREMENT FINANCE  
REPORT**



**SUSANA A. MENDOZA**  
ILLINOIS STATE COMPTROLLER

Name of Municipality: City of Chicago Reporting Fiscal Year: 2024  
County: Cook Fiscal Year End: 12/31/2024  
Unit Code: 016/620/30

**FY 2024 TIF Administrator Contact Information-Required**

First Name: Ciere Last Name: Boatright  
Address: City Hall, 121 N LaSalle Title: Administrator  
Telephone: (312) 744-4190 City: Chicago Zip: 60602  
E-mail: TIFreports@cityofchicago.org

I attest to the best of my knowledge, that this FY 2024 report of the redevelopment project area(s)  
in the **City of Chicago** of:  
is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and or Industrial Jobs  
Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].

6/27/2025

Written signature of TIF Administrator

Date

**Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)\*)**

**FILL OUT ONE FOR EACH TIF DISTRICT**

Name of Redevelopment Project Area	Date Designated MM/DD/YYYY	Date Terminated MM/DD/YYYY
105th/Vincennes	10/3/2001	12/31/2025
107th/Halsted	4/2/2014	12/31/2038
111th/Kedzie	9/29/1999	12/31/2035
116th/Avenue O	10/31/2018	12/31/2042
119th/Halsted	2/6/2002	12/31/2026
119th/I-57	11/6/2002	12/31/2026
24th/Michigan	7/21/1999	12/31/2035
26th/King Drive	1/11/2006	12/31/2030
35th/Halsted	1/14/1997	12/31/2033
35th/State	1/14/2004	12/31/2028
43rd/Cottage Grove	7/8/1998	12/31/2034
X 47th/Ashland	3/27/2002	12/31/2026
47th/Halsted	5/29/2002	12/31/2026
47th/King Drive	3/27/2002	12/31/2026
47th/State	7/21/2004	12/31/2028
51st/Archer	5/17/2000	12/31/2024
51st/Lake Park	11/15/2012	12/31/2036
53rd Street	1/10/2001	12/31/2025
63rd/Ashland	3/29/2006	12/31/2030
63rd/Pulaski	5/17/2000	12/31/2036
67th/Cicero	10/2/2002	12/31/2026

67th/Wentworth	5/4/2011	12/31/2035
71st/Stony Island	10/7/1998	12/31/2034
73rd/University	9/13/2006	12/31/2030
79th Street Corridor	7/8/1998	12/31/2034
79th/Cicero	6/8/2005	12/31/2029
79th/Southwest Highway	10/3/2001	12/31/2025
79th/Vincennes	9/27/2007	12/31/2031
83rd/Stewart	3/31/2004	12/31/2028
87th/Cottage Grove	11/13/2002	12/31/2026
95th/Western	7/13/1995	12/31/2031
Addison South	5/9/2007	12/31/2031
Archer/Central	5/17/2000	12/31/2024
Archer/Western	2/11/2009	12/31/2033
Armitage/Pulaski	6/13/2007	12/31/2031
Austin Commercial	9/27/2007	12/31/2031
Avalon Park/South Shore	7/31/2002	12/31/2026
Avondale	7/29/2009	12/31/2033
Belmont/Central	1/12/2000	12/31/2036
Belmont/Cicero	1/12/2000	12/31/2024
Bronzeville	11/4/1998	12/31/2034
Bryn Mawr/Broadway	12/11/1996	12/31/2032
Canal/Congress	11/12/1998	12/31/2034
Central West	2/16/2000	12/31/2036
Chicago/Central Park	2/27/2002	12/31/2026
Chicago/Kingsbury	4/12/2000	12/31/2024
Cicero/Archer	5/17/2000	12/31/2024
Cicero/Stevenson	7/20/2022	12/31/2046
Clark/Montrose	7/7/1999	12/31/2035
Commercial Avenue	11/13/2002	12/31/2026
Cortland/Chicago River	4/10/2019	12/31/2043
Devon/Sheridan	3/31/2004	12/31/2028
Diversey/Chicago River	10/5/2016	12/31/2040
Diversey/Narragansett	2/5/2003	12/31/2027
Division/Homan	6/27/2001	12/31/2025
Edgewater/Ashland	10/1/2003	12/31/2027
Elston/Armstrong Industrial Corridor	7/19/2007	12/31/2031
Englewood Mall	11/29/1989	12/31/2025
Englewood Neighborhood	6/27/2001	12/31/2037
Ewing Avenue	3/10/2010	12/31/2034
Foster/California	4/2/2014	12/31/2038
Foster/Edens	2/28/2018	12/31/2042
Fullerton/Milwaukee	2/16/2000	12/31/2027
Galewood/Armitage Industrial	7/7/1999	12/31/2035
Goose Island	7/10/1996	12/31/2032
Greater Southwest Industrial (East)	3/10/1999	12/31/2035
Greater Southwest Industrial (West)	4/12/2000	12/31/2024
Harrison/Central	7/26/2006	12/31/2030
Hollywood/Sheridan	11/7/2007	12/31/2031
Homan/Arthington	2/5/1998	12/31/2034
Humboldt Park Commercial	6/27/2001	12/31/2025
Jefferson/Roosevelt	8/30/2000	12/31/2024
Kennedy/Kimball	3/12/2008	12/31/2032
Kinzie Industrial Corridor	6/10/1998	12/31/2034

Lake Calumet Area Industrial	12/13/2000	12/31/2036
Lakefront	3/27/2002	12/31/2026
LaSalle Central	11/15/2006	12/31/2030
Lawrence/Broadway	6/27/2001	12/31/2037
Lawrence/Kedzie	2/16/2000	12/31/2036
Lawrence/Pulaski	2/27/2002	12/31/2026
Lincoln Avenue	11/3/1999	12/31/2035
Little Village East	4/22/2009	12/31/2033
Little Village Industrial Corridor	6/13/2007	12/31/2031
Madden/Wells	11/6/2002	12/31/2038
Madison/Austin Corridor	9/29/1999	12/31/2035
Michigan/Cermak	9/13/1989	12/31/2025
Midway Industrial Corridor	2/16/2000	12/31/2024
Midwest	5/17/2000	12/31/2036
Montrose/Clarendon	6/30/2010	12/31/2034
Near North	7/30/1997	12/31/2033
North Pullman	6/30/2009	12/31/2033
Northwest Industrial Corridor	12/2/1998	12/31/2034
Ogden/Pulaski	4/9/2008	12/31/2032
Ohio/Wabash	6/7/2000	12/31/2024
Peterson/Pulaski	2/16/2000	12/31/2024
Pilsen Industrial Corridor	6/10/1998	12/31/2034
Pratt/Ridge Industrial Park Conservation Area	6/23/2004	12/31/2028
Pulaski Industrial Corridor	6/9/1999	12/31/2035
Randolph/Wells	6/9/2010	12/31/2034
Red Line Extension	12/14/2022	12/31/2058
Red Purple Modernization Phase One (Transit TIF)	11/30/2016	12/31/2052
River West	1/10/2001	12/31/2025
Roosevelt/Cicero Industrial Corridor	2/5/1998	12/31/2034
Roosevelt/Clark	4/10/2019	12/31/2043
Roosevelt/Racine	11/4/1998	12/31/2034
Roseland/Michigan	1/16/2002	12/31/2026
Sanitary and Ship Canal	7/24/1991	12/31/2027
South Chicago	4/12/2000	12/31/2036
Stevenson Brighton	4/11/2007	12/31/2031
Stockyards Southeast Quadrant Industrial	2/26/1992	12/31/2028
Stony Island Commercial/Burnside Industrial	6/10/1998	12/31/2034
Touhy/Western	9/13/2006	12/31/2030
Washington Park	10/8/2014	12/31/2038
West Irving Park	1/12/2000	12/31/2024
West Woodlawn	5/12/2010	12/31/2034
Western Avenue North	1/12/2000	12/31/2024
Western Avenue South	1/12/2000	12/31/2024
Western/Ogden	2/5/1998	12/31/2034
Western/Rock Island	2/8/2006	12/31/2030
Wilson Yard	6/27/2001	12/31/2025
Woodlawn	1/20/1999	12/31/2035

\*All statutory citations refer to one of two sections of the Illinois Municipal Code: The Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

**SECTION 2** [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

**FY 2024**

**Name of Redevelopment Project Area:**

47th/Ashland

**Primary Use of Redevelopment Project Area\*:** Combination/Mixed

\*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

**If "Combination/Mixed" List Component Types:** Residential/Commercial/Industrial

**Under which section of the Illinois Municipal Code was the Redevelopment Project Area designated? (check one):**

**Tax Increment Allocation Redevelopment Act**     X    

**Industrial Jobs Recovery Law**           

**Please utilize the information below to properly label the Attachments.**

	No	Yes
For redevelopment projects beginning prior to FY 2022, were there any amendments, to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] <b>If yes, please enclose the amendment (labeled Attachment A).</b> For redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] <b>If yes, please enclose the amendment, enactment or extension, and a copy of the redevelopment plan (labeled Attachment A).</b>	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] <b>Please enclose the CEO Certification (labeled Attachment B).</b>		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] <b>Please enclose the Legal Counsel Opinion (labeled Attachment C).</b>		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] <b>If yes, please enclose the Activities Statement (labeled Attachment D).</b>		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] <b>If yes, please enclose the Agreement(s) (labeled Attachment E).</b>		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] <b>If yes, please enclose the Additional Information (labeled Attachment F).</b>	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] <b>If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).</b>	X	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] <b>If yes, please enclose the Joint Review Board Report (labeled Attachment H).</b>	X	
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] <b>If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached (labeled Attachment J).</b>	X	
An analysis prepared by a financial advisor or underwriter, <u>chosen by the municipality</u> , setting forth the nature and term of obligation; projected debt service including required reserves and debt coverage; <u>and actual debt service</u> . [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] <b>If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (labeled Attachment J).</b>	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) <b>If yes, please enclose audited financial statements of the special tax allocation fund (labeled Attachment K).</b>		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] <b>If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).</b>		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] <b>If yes, please enclose the list only, not actual agreements (labeled Attachment M).</b>	X	
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. <b>If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).</b>	X	



**SECTION 3.1** [65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d)]

**FY 2024**

**Name of Redevelopment Project Area:**  
**47th/Ashland**

**Provide an analysis of the special tax allocation fund.**

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 13,383,701

<b>SOURCE of Revenue/Cash Receipts:</b>	<b>Revenue/Cash Receipts for Current Reporting Year</b>	<b>Cumulative Totals of Revenue/Cash Receipts for life of TIF</b>	<b>% of Total</b>
Property Tax Increment	\$ 3,812,217	\$54,838,039	61%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ (73,179)	\$ 1,680,651	2%
Land/Building Sale Proceeds			0%
Bond Proceeds		\$ 19,970,981	22%
Transfers from Municipal Sources	\$ 8,666,667	\$ 11,097,980	12%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)	\$ 95,918	\$ 1,794,089	2%

**All Amount Deposited in Special Tax Allocation Fund** \$ 12,501,623

**Cumulative Total Revenues/Cash Receipts** \$ 89,381,740 100%

**Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)** \$ 7,456,891

**Transfers to Municipal Sources**

**Distribution of Surplus**

**Total Expenditures/Disbursements** \$ 7,456,891

**Net/Income/Cash Receipts Over/(Under) Cash Disbursements** \$ 5,044,732

**Previous Year Adjustment (Explain Below)**

**FUND BALANCE, END OF REPORTING PERIOD\*** \$ 18,428,433

\* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

**Previous Year Explanation:**

(a) Cumulative figures for the categories of 'Interest,' 'Land/Building Sale Proceeds' and 'Other' may not be fully available for this report due to either: (i) the disposal of certain older records pursuant to the City's records retention policy, or (ii) the extraordinary administrative burden of developing cumulative City records prior to the City's conversion to its current accounting system in 2003.

**Schedule of "Other" Sources of Revenue/Cash Receipts Deposited in Fund During Reporting FY**  
**(Total and Cumulative Values Carried Forward to Section 3.1)**

**FY 2024**

**Name of Redevelopment Project Area:**

**47th/Ashland**

<b>"Other" Sources</b>	<b>Reporting Year</b>	<b>Cumulative</b>
Cumulative Revenue Prior to 2017		\$ 886,381
Note Proceeds		
Non-compliance Payment		
Excess Reserve Requirement		
Build America Bonds Subsidy	\$ 95,918	\$ 907,708
Collection Returns		
Credits from Expenditures		

**Total Schedule of "Other" Sources During Reporting Period**

**\$ 95,918**

**Cumulative Total Schedule of "Other" Sources**

**\$ 1,794,089**



**SECTION 3.2 A**  
**PAGE 2**

PAGE 1		
7. Costs of eliminating or removing contaminants and other impediments.		
		\$ -
8. Cost of job training and retraining projects.		
		\$ -
9. Financing costs.		
	2,021,897	
		\$ 2,021,897
10. Capital costs.		
		\$ -
11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects.		
		\$ -
12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
		\$ -

**SECTION 3.2 A**  
**PAGE 3**

13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
Costs of interest incurred by a Developer related to the construction, renovation or rehabilitation		
Costs of construction of new housing units for low income or very low income households.	4,833,333	
		\$ 4,833,333
17. Cost of day care services.		
		\$ -
18. Other.		
		\$ -
<b>TOTAL ITEMIZED EXPENDITURES</b>		<b>\$ 7,456,891</b>

(1) Costs relate directly to the salaries and fringe benefits of employees working solely on tax increment financing districts.



SECTION 3.3 [65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)]

FY 2024

Name of Redevelopment Project Area:

47th/Ashland

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source

FUND BALANCE BY SOURCE		\$18,428,433
1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
	\$18,675,000	\$1,922,660
Total Amount Designated for Obligations	\$18,675,000	\$1,922,660
2. Description of Project Costs to be Paid	Amount of Original Issuance	Amount Designated
Restricted for future redevelopment project costs		\$16,505,773
Total Amount Designated for Project Costs		\$16,505,773
TOTAL AMOUNT DESIGNATED		\$18,428,433
SURPLUS/(DEFICIT)		\$-

**SECTION 4** [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

**FY 2024**

**Name of Redevelopment Project Area:**

**47th/Ashland**

**Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.**

X	Indicate an 'X' if no property was acquired by the municipality within the redevelopment project area.
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Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

**SECTION 5 [20 ILCS 620/4.7 (7)(F)]**

**FY 2024**

**Name of Redevelopment Project Area:**

**47th/Ashland**

**PAGE 1**

**Page 1 MUST be included with TIF report. Pages 2 and 3 are to be included ONLY if projects are listed.**

**Select ONE of the following by indicating an 'X':**

<b>1. <u>NO</u></b> projects were undertaken by the Municipality Within the Redevelopment Project Area.	
<b>2. The municipality <u>DID</u> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a and 2b.)</b>	<b>X</b>
<b>2a. The total <u>number</u> of <u>ALL</u> activities undertaken in furtherance of the objectives of the redevelopment plan:</b>	<b>9</b>
<b>2b. Did the municipality undertake any <u>NEW</u> projects in fiscal year 2022 or any fiscal year thereafter within the Redevelopment Project Area?</b>	<b>3</b>

**LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:**

<b>TOTAL:</b>	<b>11/1/99 to Date</b>	<b>Estimated Investment for Subsequent Fiscal Year</b>	<b>Total Estimated to Complete Project</b>
Private Investment Undertaken (See Instructions)	\$ 37,316,197	\$ -	\$ 58,045,050
Public Investment Undertaken	\$ 13,876,263	\$ 12,569,384	\$ 25,200,000
Ratio of Private/Public Investment	2 51/74		2 27/89

**Project 1 Name: Cardinal Limited Partnership/Glazier Corp. (Project Completed)**

Private Investment Undertaken (See Instructions)	\$ 1,349,902		\$ -
Public Investment Undertaken	\$ 452,580		\$ -
Ratio of Private/Public Investment	2 57/58		0

**Project 2 Name: Bishop Plaza (Project is Ongoing\*\*\*)**

Private Investment Undertaken (See Instructions)	\$ -		\$ 8,040,542
Public Investment Undertaken	\$ 3,546,129	\$ 402,717	\$ 2,200,000
Ratio of Private/Public Investment	0		3 55/84

**Project 3 Name: SBIF - 47th Ashland\*\* (Project is Ongoing\*\*\*)**

Private Investment Undertaken (See Instructions)	\$ -		\$ 6,000,000
Public Investment Undertaken	\$ 1,511,838		\$ 3,000,000
Ratio of Private/Public Investment	0		2

**Project 4 Name: Park Federal Savings Bank (Project Completed)**

Private Investment Undertaken (See Instructions)	\$ 4,152,670		\$ -
Public Investment Undertaken	\$ 236,065		\$ -
Ratio of Private/Public Investment	17 13/22		0

**Project 5 Name: Goldblatt's Sr Living (Project Completed)**

Private Investment Undertaken (See Instructions)	\$ 31,020,989		\$ -
Public Investment Undertaken	\$ 2,900,000		\$ -
Ratio of Private/Public Investment	10 23/33		0

**Project 6 Name: Retail Thrive - 47th Ashland\*\* (Project Completed)**

Private Investment Undertaken (See Instructions)	\$ 792,636		\$ -
Public Investment Undertaken	\$ 396,318		\$ -
Ratio of Private/Public Investment	2		0

**Project 7 Name: United Yards 1B (Project is Ongoing\*\*\*)**

Private Investment Undertaken (See Instructions)	\$	-		\$	12,450,400	
Public Investment Undertaken	\$	-	\$	2,500,000	\$	5,000,000
Ratio of Private/Public Investment		0				2 25/51

**Project 8 Name: United Yards 1A (Project is Ongoing\*\*\*)**

Private Investment Undertaken (See Instructions)	\$	-		\$	31,554,108	
Public Investment Undertaken	\$	4,833,333	\$	9,666,667	\$	14,500,000
Ratio of Private/Public Investment		0				2 3/17

**Project 9 Name: TIFWorks - 47th/Ashland\*\* (Project is Ongoing\*\*\*)**

Private Investment Undertaken (See Instructions)	\$	-		\$	-
Public Investment Undertaken	\$	-		\$	500,000
Ratio of Private/Public Investment		0			0

**Project 10 Name:**

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

**Project 11 Name:**

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

**Project 12 Name:**

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

**Project 13 Name:**

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

**Project 14 Name:**

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

**Project 15 Name:**

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

## Section 5 Notes

**FY 2024**

**Name of Redevelopment Project Area:**

**47th/Ashland**

### **General Notes**

(a) Each actual or estimated Public Investment reported here is, to the extent possible, comprised only of payments financed by tax increment revenue, and may include interest amounts paid to finance the Public Investment amount. In contrast, each actual or estimated Private Investment reported here is, to the extent possible, comprised of payments financed by revenues that are not tax increment revenues and, therefore, may include private equity, private lender financing, private grants, other public monies, or other local, state or federal grants or loans.

(b) Each amount reported here under Public Investment Undertaken, Total Estimated to Complete Project, is the maximum amount of payments financed by tax increment revenue that could be made pursuant to the corresponding Project's operating documents, but not including interest that may later be payable on developer notes, and may not necessarily reflect actual expenditures, if any, as reported in Section 3 herein. The total public investment amount ultimately made under each Project will depend upon the future occurrence of various conditions, including interest that may be payable on developer notes as set forth in the Project's operating documents.

### **Project/Program-Specific Notes**

\*\* Depending on the particular goals of this type of program, the City may: i) make an advance disbursement of the entire public investment amount to the City's program administrator, ii) disburse the amounts through an escrow account, or iii) pay the funds out piecemeal to the program administrator or to the ultimate grantee as each ultimate grantee's work is approved under the program.

\*\*\* As of the last date of the reporting fiscal year, the construction of this Project was ongoing; the Private Investment Undertaken and Ratio figures for this Project will be reported on the Annual Report for the fiscal year in which the construction of the Project is completed and the total Private Investment figure is available.

SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))

**47th/Ashland**

<b>Number of Jobs Retained</b>	<b>Number of Jobs Created</b>	<b>Job Description and Type (Temporary or Permanent)</b>	<b>Total Salaries Paid</b>
			\$

Project Name	The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement.*		The number of jobs, if any, created as a result of the development to date, for the reporting period, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement.**	
	Temporary	Permanent	Temporary	Permanent
United Yards 1A	350	2.5	TBD	TBD
United Yards 1B	75	40	TBD	TBD

\*\* see footnote on following page

Project Name	The amount of increment projected to be created at the time of approval of the redevelopment agreement.^	The amount of increment created as a result of the development to date, for the reporting period, using the same assumptions as was used for the projections used at the time of the approval of the redevelopment agreement.^^
United Yards 1B	\$88,007	TBD

<sup>^^</sup> see footnote on following page

Project Name	Stated Rate of Return
N/A	N/A



## Section 6 Notes

**FY 2024**

**Name of Redevelopment Project Area:**  
**47th/Ashland**

### General Notes

#### Section 6.2

\* All RDAs shown were entered into during or after FY 2022. "Permanent" jobs are defined as permanent, full-time, or full-time-equivalent jobs that are anticipated to be created or retained at some time during the term of the RDA. "Temporary" jobs are defined as part-time, construction, temporary or seasonal jobs listed as required or aspirational in the RDA that are anticipated to be created during construction of the project. RDAs with no jobs covenant are not shown. An RDA will be removed from this Section once the job covenant ends, or the RDA terminates. TIFWorks and similar job training programs are not shown.

\*\* "Permanent" jobs shown are those that are affirmed by the Developer on the first anniversary date of the completion of the project and throughout the term of the RDA. "Temporary" jobs shown are those that are affirmed by the Developer after project construction is completed.

#### Section 6.3

^ All RDAs shown were entered into during or after FY 2022. The amount of increment increase projected is the cumulative amount that is projected to be created for all PINs in the RDA from the anticipated project stabilization year through the term of the TIF Redevelopment Area. RDAs are removed once the RDA is terminated or expired. RDAs involving tax-exempt properties and those with no increment increase projected by the City over the term of the respective RDA, are not shown.

^^ The amount shown is the increase in cumulative PIN increment collected from the actual project stabilization year through the TIF Redevelopment Area expiration year, to the extent the information is available from tax records.

**SECTION 7** [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

**FY 2024**

**Name of Redevelopment Project Area:**

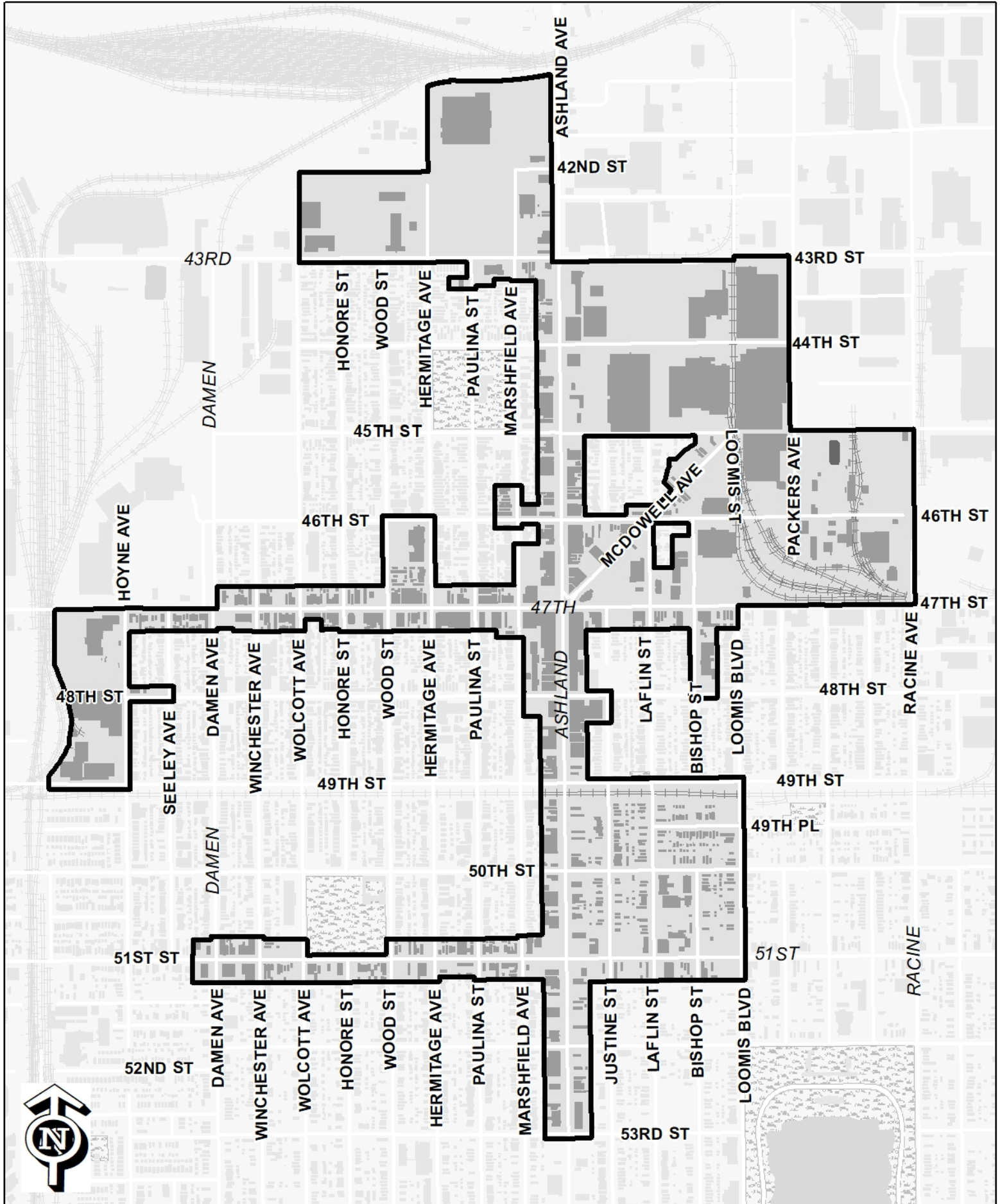
**47th/Ashland**

**Provide a general description of the redevelopment project area using only major boundaries.**

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	X

# 47th/Ashland TIF

## Annual Report



**FY 2024**

**47th/Ashland**

Year of Designation	Base EAV	Reporting Fiscal Year EAV

☐ Indicate an 'X' if the overlapping taxing districts did not receive a surplus.

[illegible]

STATE OF ILLINOIS            )  
  )  
COUNTY OF COOK            )

CERTIFICATION

TO:

Susana Mendoza  
Comptroller of the State of Illinois  
555 W. Monroe Street, 1400S-A  
Chicago, Illinois 60661  
Attention: Rosanna Barbaro-Flores,  
Director of Local Government

Jolenna Nanalig, AVC Finance & Treasurer  
City Colleges of Chicago  
180 N. Wabash Avenue, Suite 200  
Chicago, Illinois 60601

Xochitl Flores, Bureau Chief  
Cook County Bureau of Economic Dev.  
69 West Washington Street, Suite 2900  
Chicago, Illinois 60602

Damon Howell, Comptroller  
Forest Preserve District of Cook County  
69 W. Washington Street, Suite 2060  
Chicago, Illinois 60602

Miroslava Mejia Krug, Chief Financial Officer  
Chicago Board of Education  
42 West Madison Street  
Chicago, Illinois 60602

Jacqueline Torres, Director of Finance  
Metropolitan Water Reclamation District  
of Greater Chicago  
100 East Erie Street, Room 243  
Chicago, Illinois 60611

Lamarr Miller, President  
South Cook County Mosquito Abatement District  
15500 Dixie Highway  
P.O. Box 1030  
Harvey, Illinois 60426

Carlos Ramirez-Rosa  
General Superintendent & CEO  
Chicago Park District  
4830 S. Western Avenue  
Chicago, Illinois 60609

I, Brandon Johnson, in connection with the annual report (the "Report") of information required by Section 11-74.4-5(d) of the Tax Increment Allocation Redevelopment Act, 65 ILCS5/11-74.4-1 et seq. (the "Act"), with regard to the 47th/Ashland Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

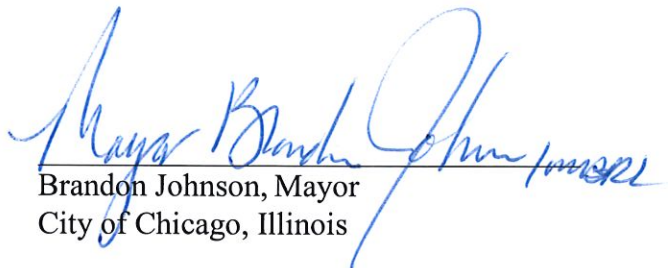
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2024, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

3. In giving this Certification, I have relied on the opinion of the Corporation Counsel of the City furnished in connection with the Report.

4. This Certification may be relied upon only by the addressees hereof.

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this June 27, 2025.

  
Brandon Johnson, Mayor  
City of Chicago, Illinois





DEPARTMENT OF LAW  
CITY OF CHICAGO

June 27, 2025

Susana Mendoza  
Comptroller of the State of Illinois  
555 W. Monroe Street, 1400S-A  
Chicago, Illinois 60661  
Attention: Rosanna Barbaro-Flores,  
Director of Local Government

Jolenna Nanalig, AVC Finance & Treasurer  
City Colleges of Chicago  
180 N. Wabash Avenue, Suite 200  
Chicago, Illinois 60601

Xochitl Flores, Bureau Chief  
Cook County Bureau of Economic Dev.  
69 West Washington Street, Suite 2900  
Chicago, Illinois 60602

Damon Howell, Comptroller  
Forest Preserve District of Cook County  
69 W. Washington Street, Suite 2060  
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Miroslava Mejia Krug, Chief Financial Officer  
Chicago Board of Education  
42 West Madison Street  
Chicago, Illinois 60602

Jacqueline Torres, Director of Finance  
Metropolitan Water Reclamation District  
of Greater Chicago  
100 East Erie Street, Room 243  
Chicago, Illinois 60611

Lamarr Miller, President  
South Cook County Mosquito Abatement District  
15500 Dixie Highway  
P.O. Box 1030  
Harvey, Illinois 60426

Carlos Ramirez-Rosa  
General Superintendent & CEO  
Chicago Park District  
4830 S. Western Avenue  
Chicago, Illinois 60609

Re: 47th/Ashland Redevelopment Project Area  
(the "Redevelopment Project Area")

Dear Addressees:

I am the Corporation Counsel of the City of Chicago, Illinois (the "City") and, in such capacity, I am the head of the City's Law Department. In such capacity, I am providing the opinion required by Section 11-74.4-5(d)(4) of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act"), in connection with the submission of the report (the "Report") in accordance with, and containing the information required by, Section 11-74.4-5(d) of the Act for the Redevelopment Project Area.

Attorneys, past and present, in the Law Department of the City and familiar with the requirements of the Act, have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following matters: approval of the redevelopment plan and project for the Redevelopment Project Area, designation of the Redevelopment Project Area as a redevelopment project area, and adoption of tax increment allocation financing for the Redevelopment Project Area, all in accordance with the then applicable provisions of the Act. Various departments of the City, including, if applicable, the Law Department, Department of Planning and Development, Department of Finance and Office of Budget and Management (collectively, the "City Departments"), have personnel responsible for and familiar with the activities in the Redevelopment Project Area affecting such City Departments and with the requirements of the Act in connection therewith. Such personnel are encouraged to seek and obtain, and do seek and obtain, the legal guidance of the Law Department with respect to issues that may arise from time to time regarding the requirements of, and compliance with, the Act.

In my capacity as Corporation Counsel, I have relied on the factual certification of the Commissioner of the Department of Planning and Development attached hereto as Schedule 1, along with the general knowledge and actions of the appropriately designated and trained staff of the Law Department and other applicable City Departments involved with the activities affecting the Redevelopment Project Area. In addition, I have caused to be examined or reviewed by members of the Law Department of the City the certified audit report, to the extent required to be obtained by Section 11-74.4-5(d)(9) of the Act and submitted as part of the Report, which is required to review compliance with the Act in certain respects, to determine if such audit report contains information that might affect my opinion. I have also caused to be examined or reviewed such other documents and records as were deemed necessary to enable me to render this opinion. Nothing has come to my attention that would result in my need to qualify the opinion hereinafter expressed.

Based on the foregoing, it is my opinion that, in all material respects, the City is in compliance with the provisions and requirements of the Act in effect and then applicable at the time actions were taken from time to time with respect to the Redevelopment Project Area.

This opinion is given in an official capacity and not personally and no personal liability shall derive herefrom. Furthermore, the only opinion that is expressed is the opinion specifically set forth herein, and no opinion is implied or should be inferred as to any other matter. Further, this opinion may be relied upon only by the addressees hereof and the Mayor of the City in providing his required certification in connection with the Report, and not by any other party.

Very truly yours,



Mary Richardson-Lowry  
Corporation Counsel

## **SCHEDULE 1**

**June 27, 2025**

### **CERTIFICATION**

Commissioner  
Department of Planning and Development  
City of Chicago

I, Ciere Boatright, am the Commissioner of the Department of Planning and Development ("DPD") of the City of Chicago, Illinois (the "City") and, in such capacity, I am the head of DPD. I am also the TIF Administrator for the City for purposes of the Report (defined below). In such capacity, I am providing this Certification for the Corporation Counsel of the City to rely upon in connection with the opinion required by either Section 11-74.4-5(d)(4) of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act"), or by Section 11-74.6-22(d)(4) of the Industrial Jobs Recovery Law, 65 ILCS 5/11-74.6-1 et seq. (the "Law"), as the case may be, in connection with the submission of an annual report for calendar year 2024 (the "Report") containing the information required by Section 11-74.4-5(d) of the Act or Section 11-74.6-22(d) of the Law for each of the Redevelopment Project Areas listed in Section 1 of the Report and hereby incorporated into this Certification (the "Redevelopment Project Areas").

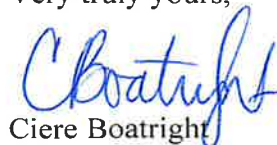
I hereby certify the following to the Corporation Counsel of the City:

1. DPD has overall responsibility for and is familiar with the activities in each of the Redevelopment Project Areas. DPD personnel are familiar with the requirements of the Act and the Law and are encouraged to seek and obtain, and do seek and obtain, the legal guidance of the City's Department of Law with respect to legal issues that may arise from time to time regarding the requirements of, and compliance with, the Act and the Law.
2. DPD personnel have monitored compliance with the requirements of the Act and the Law during the previous fiscal year under my supervision and to my reasonable satisfaction in connection with each of the Redevelopment Project Areas.

Based on the foregoing, I hereby certify to the Corporation Counsel of the City that, in all material respects, DPD has taken the appropriate actions to ensure that the City is in compliance with the provisions and requirements of the Act and the Law in effect and then applicable at the time actions were taken from time to time with respect to each of the Redevelopment Project Areas.

This Certification is given in an official capacity and not personally and no personal liability shall derive herefrom. Further, this Certification may be relied upon only by the Corporation Counsel of the City in providing the required legal opinion in connection with the Report, and not by any other party.

Very truly yours,



Ciere Boatright  
Commissioner  
Department of Planning and Development

FY 2024

Name of Redevelopment Project Area:

47th/Ashland

Projects that were implemented during the reporting year are set forth below:

Name of Project
New City Redevelopment (United Yards 1A)



\*2421218064\*

Doc# 2421218064 Fee \$88.00

ILRHSP FEE:\$18.00 RPRF FEE:\$1.00

CEDRIC GILES

COOK COUNTY CLERK'S OFFICE

DATE: 7/30/2024 3:15 PM

PAGE: 1 OF 64

This agreement was prepared by and  
after recording return to:

Ashley B. Fawver, Esq.  
City of Chicago Department of Law  
121 North LaSalle Street, Room 600  
Chicago, IL 60602

41024412 (5 of 60)

New City Redevelopment Limited Partnership Redevelopment Agreement

This New City Redevelopment Limited Partnership Redevelopment Agreement (this "Agreement") is made as of this 24th day of July, 2024, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), New City Redevelopment Limited Partnership, an Illinois limited partnership (the "Owner") and Celadon Construction Corporation NFP, an Illinois nonprofit corporation ("Sponsor" together with Owner, "Developer"). The general partner of Owner is Celadon-Blackwood GP 1, LLC, an Illinois limited liability company (the "General Partner"). Celadon Partners, LLC, an Illinois limited liability company has an 80% ownership interest in the General Partner and Blackwood Development Partners, LLC, an Illinois limited liability company, has a 20% ownership interest in the General Partner.

RECITALS

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "State"), the City has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals.

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects.

S Y  
P 64  
S Y-2  
SC     
INT AV

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on March 27, 2002: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 47th/Ashland Redevelopment Project Area" (the "Plan Adoption Ordinance"); (2) "An Ordinance of the City of Chicago, Illinois Designating the 47th/Ashland Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 47th/Ashland Redevelopment Project Area" (the "TIF Adoption Ordinance"), all of which have been amended subsequently (items(1)-(3), as amended, collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: Developer intends to purchase certain property located within the Redevelopment Area at 1515 West 47th Street, Chicago, Illinois 60609 (the "First Site") from the City ("City Property") and at 1635-1643 West 47th Street, Chicago, Illinois 60609 from an Affiliate (as that term is defined below) (the "Second Site"), both sites of which are legally described on Exhibit A (the Second Site together with the First Site, the "Property"), and, within the time frames set forth in Section 3.01, shall commence and complete construction of three low-income housing structures on the Property ("Facilities"). The First Site improvements will consist of one six-story building that will contain approximately 45 units for family housing and a ground floor opportunity hub for technology training and business support targeted to support youth of communities of color. The Second Site improvements will consist of two three-flat buildings comprising a total of six two-bedroom housing units. At least 40% of the units in each of the improvements will be occupied by households earning no more than 60% of the area median income; the remainder of the units (60% thereof) in each of the improvements will be occupied by households earning no more than 80% of the area median income. The "Project" means the Facilities and the related improvements described herein, including but not limited to the TIF-Funded Improvements defined below and set forth on Exhibit B. The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: Developer will carry out the Project in accordance with this Agreement and the Redevelopment Plan.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03, Incremental Taxes (as defined below), to pay for or reimburse 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 in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement agree as follows:



## SECTION 1. RECITALS, HEADINGS AND EXHIBITS

The foregoing recitals are hereby incorporated into this Agreement by reference. The paragraph and section headings contained in this Agreement, including without limitation those set forth in the following table of contents, are for convenience only and are not intended to limit, vary, define, or expand the content thereof. Developer agrees to comply with the requirements set forth in the following exhibits which are attached to and made a part of this Agreement. All provisions listed in the Exhibits have the same force and effect as if they had been listed in the body of this Agreement.

Table of Contents	List of Exhibits
1. Recitals, Headings and Exhibits	A *Legal Description of the Property
2. Definitions	B *Project Budgets (Project Budget, MBE/WBE Budget and TIF-Funded Improvements)
3. The Project	C Requisition Form
4. Financing	D *Preliminary TIF Projection -- Real Estate Taxes
5. Conditions Precedent	(An asterisk (*) indicates which exhibits are to be recorded.)
6. Agreements with Contractors	
7. Completion of Construction or Rehabilitation	
8. Covenants/Representations/Warranties of Developer	
9. Covenants/Representations/Warranties of the City	
10. Developer's Employment Obligations	
11. Environmental Matters	
12. Insurance	
13. Indemnification	
14. Maintaining Records/Right to Inspect	
15. Defaults and Remedies	
16. Mortgaging of the Project	
17. Notice	
18. Miscellaneous	

## 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, and unless otherwise specified, references to Recitals, Sections, Articles and Exhibits are references to Recitals, Sections, Articles and Exhibits of this Agreement:

“Act” is defined in the Recitals.

“Affiliate” means any person or entity directly or indirectly controlling, controlled by or under common control with Developer.

“Annual Compliance Report” means a signed report from Developer to the City (a) itemizing each of Developer’s obligations under this Agreement during the preceding calendar year, (b) certifying 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 Developer is not in default with respect to any provision of this Agreement, 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 Operating Covenant (Section 8.06); (2) compliance with the Jobs Covenant (Section 8.06); (3) delivery of Financial Statements and unaudited financial statements (Section 8.13); (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); (6) delivery of evidence of compliance with the Sustainable Development Policy (Section 8.22); (7) compliance with the Increment and Rate of Return Reporting (Section 8.25), if applicable; and (8) compliance with all other executory provisions of this Agreement.

“ATS Manual” means the 2021 version of the Architectural and Technical Standards Manual (ATS Manual) issued by DOH.

“Available Project Funds” means: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts deposited by Developer pursuant to this Agreement.

“Certificate” means the Certificate of Completion of Construction or Rehabilitation described in Section 7.01.

“Change Order” means any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 3.03, Section 3.04 and Section 3.05, respectively.

“City Contract” is defined in Section 8.01(l).

“City Council” is defined in the Recitals.

“City Funds” is defined in Section 4.03(b).

“City Property” is defined in the Recitals.

“Closing Date” means the date of execution and delivery of this Agreement by all parties to this Agreement, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

“Contract” is defined in Section 10.03.

“Contractor” is defined in Section 10.03.

“Construction Contract” means the construction contract to be entered into between Developer and the General Contractor providing for construction of the Project.

“Contaminant” means any of those materials set forth in 415 ILCS 5/3.165, as amended from time to time, that are subject to regulation under any Environmental Law.

“Corporation Counsel” means the City's Department of Law.

“DOH” means the City's Department of Housing.

“DPD” has the meaning defined in the Agreement preamble.

“EDS” means the City's Economic Disclosure Statement and Affidavit, on the City's then-current form, whether submitted in paper or via the City's online submission process.

“Employer(s)” is defined in Section 10.

“Employment Plan” is defined in Section 5.12.

“Environmental Laws” means 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, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called “Superfund” or “Superlien” law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code.

“Equity” means Developer's funds (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount set forth in Section 4.01, which amount may be increased pursuant to Section 4.06 (Cost Overruns) or Section 4.03(b).

“Escrow” means the construction escrow established pursuant to the Escrow Agreement.

“Escrow Agreement” means the Escrow Agreement establishing a construction escrow, to be entered into as of the date of this Agreement by the City, if applicable, the Title Company (or an affiliate of the Title Company), Owner and Owner's lender(s), in a form acceptable to the City.

“Event of Default” is defined in Section 15.

“Facilities” is defined in the Recitals.

“Financial Interest” is defined in Section 2-156-010 of the Municipal Code.

“Financial Statements” means complete audited financial statements of Developer prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods.

“Full-Time Equivalent Employee” or “FTE” shall mean an employee of Developer or an Affiliate (or, with respect to job shares or similar work arrangements, two such employees counted collectively as a single FTE) who is employed in a permanent position at least 35 hours per week at the Project during the applicable month, excluding (a) persons engaged as or employed by independent contractors, third party service providers or consultants and (b) persons employed or engaged by Developer or by third parties in positions ancillary to Developer’s operations at the Project including, without limitation, food service workers, security guards, cleaning personnel, or similar positions.

“General Contractor” means the general contractor(s) hired by Developer pursuant to Section 6.01.

“Hazardous Substance” has the meaning set forth in 415 ILCS 5/3.215, as amended from time to time.

“Human Rights Ordinance” is defined in Section 10.

“In Balance” is defined in Section 4.07.

“IEPA” shall mean the Illinois Environmental Protection Agency.

“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 TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof, as adjusted to reflect the amount of the TIF District Administration Fee.

“Indemnatee” and “Indemnitees” are defined in Section 13.01.

“Lender Financing” means funds borrowed by Developer from lenders and irrevocably available to pay for costs of the Project, in the amount set forth in Section 4.01.

“Limited Partner” is defined in Section 4.09.

“MBE(s)” means 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” means the MBE/WBE Budget attached as Exhibit B, as described in Section 10.03.

“MBE/WBE Program” is defined in Section 10.03.

“Municipal Code” means the Municipal Code of the City of Chicago, as amended from time to time.

“New Mortgage” is defined in Article 16.

“Non-Governmental Charges” means all non-governmental charges, liens, claims, or encumbrances relating to Developer, the Property, or the Project.

“Other Regulated Material” means any Waste, Contaminant, or any other material, not otherwise specifically listed or designated as a Hazardous Substance, that (a) is or contains: petroleum, including crude oil or any fraction thereof, motor fuel, jet fuel, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixtures of natural gas and such synthetic gas, asbestos, radon, any polychlorinated biphenyl, urea, formaldehyde foam insulation, explosive or radioactive material, materials known to contain per- and polyfluoroalkyl substances, i.e. PFAS, or (b) is a hazard to the environment or to the health or safety of persons.

“Permitted Liens” means (i) mortgages against the Property and/or the Project recorded on or before the date of this Agreement and securing the Lender Financing, (ii) leases of portions of the Property entered into after the date hereof in Developer's ordinary course of business, if any, and (iii) those matters set forth as Schedule B title exceptions in the Title Policy, 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.

“Permitted Mortgage” is defined in Article 16.

“Planned Development” means the Planned Development, if any, applicable to the Property.

“Plans and Specifications” means construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

“Prior Expenditures” is defined in Section 4.05(a).

"Project" is defined in the Recitals.

"Project Budget" means the Project Budget attached as Exhibit B, showing the total cost of the Project by line item, furnished by Developer to DPD, in accordance with Section 3.03.

"Property" is defined in the Recitals.

"RAP" shall mean the Remedial Action Plan document required by the IEPA in order to receive a final, comprehensive residential No Further Remediation Letter.

"RAP Approval Letter" shall mean written approval from the IEPA of a Remedial Action Plan ("RAP").

"RACR" shall mean the Remedial Action Completion Report required by the IEPA in order to receive a final, comprehensive residential No Further Remediation Letter.

"Redevelopment Area" is defined in the Recitals.

"Redevelopment Plan" is defined in the Recitals.

"Redevelopment Project Costs" means 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.

"Remediation Work" means all investigation, sampling, monitoring, testing, reporting, removal, response, disposal, storage, remediation, treatment and other activities necessary to obtain a Final No Further Remediation Letter for the Property in accordance with the terms and conditions of the Remedial Action Plan Approval Letter for the Property issued by the IEPA, the SRP Documents (as defined below), all requirements of the IEPA, and all applicable Laws, including, without limitation, all applicable Environmental Laws.

"Requisition Form" means the document, in the form attached as Exhibit C, to be delivered by Developer to DPD pursuant to Section 4.04 of this Agreement.

"Scope Drawings" means preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project.

"SRP" shall mean the Illinois Site Remediation Program codified at 35 Ill. Adm. Code Part 740 et seq.

"SRP Documents" means all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the Comprehensive Site Investigation and Remediation Objectives Report, the Remedial Action Plan, and the Remedial

Action Completion Report and any and all related correspondence, data and other information prepared by either party pursuant to Section 11.

"Survey" means a plat of survey in the most recently revised form of ALTA/NSPS land title survey of the Property, meeting the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, effective February 23, 2021, dated within 75 days before 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 in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"Sustainable Development Policy" shall mean the Sustainable Development Policy of the City as in effect on the Closing Date.

"Term of the Agreement" means the period of time starting on the Closing Date and ending on the tenth anniversary of the issuance of the Certificate.

"TIF Adoption Ordinance" is defined in the Recitals.

"TIF District Administration Fee" means the fee described in Section 4.05(b).

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

"TIF-Funded Improvements" means those improvements 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. Exhibit B lists the TIF-Funded Improvements for the Project.

"TIF Ordinances" is defined in the Recitals.

"Title Company" means Greater Illinois Title Company.

"Title Policy" means a title insurance policy in the most recently revised ALTA or equivalent form, showing Owner as the insured, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in a form acceptable to the City 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.

"Waste" means those materials defined in the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq. as waste and identified subcategories thereof, including but not limited to, construction or demolition debris, garbage, household waste, industrial process waste, landfill

waste, landscape waste, municipal waste, pollution control waste, potentially infectious medical waste, refuse, or special waste.

“WARN Act” means the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

“WBE(s)” means 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, related to the Procurement Program or the Construction Program, as applicable.

### SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facilities, Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17: (i) start construction no later than 60 days after the Closing Date; and (ii) complete construction of Facilities no later than 24 months after the Closing Date.

3.02 Scope Drawings and Plans and Specifications. Developer has delivered the Scope Drawings and Plans and Specifications to DOH and DPD and each has approved same. After such initial approval, Developer shall submit to DOH subsequent proposed changes to the Scope Drawings or Plans and Specifications as a Change Order pursuant to Section 3.04. The Scope Drawings and Plans and Specifications shall always conform to the Redevelopment Plan and all applicable federal, state, and local laws, ordinances and regulations. Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. Developer has furnished to DPD and DOH, and DPD and DOH has approved, a Project Budget showing total costs for the Project in an amount not less than \$46,054,108. Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity and other funds described in Section 4.02, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct, and complete in all material respects. Developer shall promptly deliver to DOH certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04.

3.04 Change Orders. All Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by the Owner to DOH, pursuant to the Architectural and Technical Standards Manual (ATS Manual) dated 2021 issued by DOH. The Owner shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Owner of DOH written approval, which shall not be unreasonably withheld, conditioned or delayed. The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect and also shall contain a



provision requiring compliance with the policies and procedures outlined in the ATS Manual. An approved Change Order 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 Owner..

3.05 DOH and DPD Approval. Any approval granted by DOH and DPD of the Scope Drawings, Plans and Specifications and the Change Orders 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 DOH and DPD pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

3.06 Other Approvals. Any DPD or DOH approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals). Developer shall not start construction of the Project until Developer has obtained all necessary permits and approvals (including but not limited to DOH's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required under this Agreement.

3.07 Progress Reports and Survey Updates. Developer shall provide DOH and DPD with written monthly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DOH's written approval pursuant to Section 3.04). Developer shall provide an updated Survey to DOH or DPD if requested by DOH or DPD or any lender providing Lender Financing, reflecting improvements made to the Property.

3.08 Inspecting Agent or Architect. An independent agent or architect (other than Developer's architect) approved by DOH shall be selected to act as the inspecting agent or architect, at Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect to these inspections to DOH, before Developer requests disbursement for costs related to the Project under this Agreement or the Escrow Agreement, if any. If approved by the City, the inspecting agent or architect may be the same one being used in such role by a lender providing Lender Financing, provided that such agent or architect (a) is not also Developer's agent or architect and (b) acknowledges in writing to the City that the City may rely on the findings of such agent or architect.

3.09 Barricades. Before starting any construction requiring barricades, Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances, and regulations. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content, and design of all barricades.

3.10 Signs and Public Relations. Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding Developer, the Property and the Project in the City's promotional literature and communications.

3.11 Utility Connections. Developer may connect all on-site water, sanitary, storm and sewer lines constructed on the Property to City utility lines existing on or near the perimeter of the Property, provided Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related to such connections.

3.12 Permit Fees. In connection with the Project, Developer shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City of Chicago and are of general applicability to other property within the City of Chicago.

3.13 Conveyance of City Property. The following provisions shall govern the City's conveyance of the City Property to the Sponsor for the Sponsor's conveyance to the Owner:

(a) Form of Quitclaim Deed. The City shall convey title to the City Property to Sponsor by a quitclaim deed for the sum of One Dollar (\$1.00). The conveyance and title shall, in addition to the provisions of this Agreement, be subject to:

- i. the Redevelopment Plan;
- ii. the standard exceptions in an ALTA insurance policy;
- iii. all general real estate taxes;
- iv. easements, encroachments, covenants and restrictions of record and not shown of record; and
- v. such other title defects as may exist.

If necessary to clear title of exceptions for general real estate tax liens attributable to taxes due and payable prior to the Closing Date, the City shall submit to the County a tax abatement letter and/or file a vacation of tax sale proceeding in the Circuit Court of Cook County, seeking the exemption or waiver of such pre-closing tax liabilities, but shall have no further duties with respect to any such taxes. Immediately following the City's conveyance of the City Property to Sponsor, Sponsor shall immediately convey the Property to the Owner for the appraised fair market value of the City Property. The City has only agreed to sell the City Property to Sponsor because Sponsor and the Owner have agreed to execute this Agreement and comply with its terms and conditions.

(b) The Property Closing. The City Property closing shall take place on such date and at such place as the parties may mutually agree to in writing, but in no event earlier than the Closing Date.

(c) Recordation of Quitclaim Deed. The Owner shall promptly record the quitclaim deed(s) for the City Property in the Recorder's Office of Cook County. The Owner shall pay all costs for so recording the quitclaim deed.

(d) Escrow. In the event that the Owner requires conveyance through an escrow, the Owner shall pay all escrow fees.

#### SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The estimated total cost of the Project is shown below, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

<u>Sources</u>	<u>Amount</u>
IFF Permanent Mortgage Loan	\$1,100,000
Bond Proceeds	\$25,000,000
Regions Construction	\$1,100,000
Regions Equity Bridge Loan	\$20,990,000
TIF/City Funds	\$14,500,000
CRP STSC Loan	\$7,755,000
Deferred Developer Fee	\$1,140,592
General Partner Equity	\$100
4% Tax Credit Equity	\$20,722,679
Com Ed Affordable grant	\$157,500
Seller Financing Loan	\$177,999
Skender Note	\$500,228
SLP Contribution	\$10
<b>Total Sources</b>	<b>\$72,154,108</b>

The payment of City Funds, including the timing of payment, is subject to the terms and conditions of this Agreement, including but not limited to Section 4.03 and Section 5.

4.02 Developer Funds. Equity, the City Funds, and/or Lender Financing shall be used to pay all Project costs, including but not limited to Redevelopment Project costs and costs of TIF-Funded Improvements.

#### 4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit B sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item in Exhibit B (subject to Sections 4.03(b) and 4.05(b)), contingent upon the City receiving documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost. Sponsor shall be required to loan or contribute any City Funds paid to Sponsor to the Owner to reimburse the Owner for the costs of TIF-Funded Improvements or directly pay for the costs of the TIF-Funded Improvements. City Funds shall not be paid to Developer under this Agreement prior to the achievement of 33% completion.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5, the City hereby agrees to provide up to \$14,500,000 of City funds ("City Funds") in three equal installment payments, payable from time to time upon evidence of the Project's completion percentages, based on architect's certifications, as follows:

- i. 33 1/3% of City Funds at 33% Project completion;
- ii. second 33 1/3% of City Funds at 66% Project completion;
- iii. the remainder of unpaid City Funds after receipt of the Certificate of Completion;

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed \$14,500,000, with such amount to be further reduced by the TIF District Administration Fee; and provided further, that the City Funds to be derived from Incremental Taxes shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as the amount of the Incremental Taxes deposited into the TIF Fund shall be sufficient to pay for such costs.

Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements up to a maximum of \$14,500,000 is contingent upon the fulfillment of the Project completion conditions set forth in parts (i), (ii) and (iii) above. If such conditions are not fulfilled, the amount of Equity to be contributed by Developer pursuant to Section 4.01 shall increase proportionately.

4.04 Construction Escrow. The City and Developer hereby agree to enter into the Escrow Agreement. All disbursements of Project funds shall be made through the funding of draw requests with respect thereto, or as otherwise set forth pursuant to the Escrow Agreement and this Agreement. The City must receive copies of all draw requests and related documents submitted to the Title Company. DPD shall approve disbursements of the City Funds from the Escrow within forty-five (45) days of receipt thereof. If required, Developer shall meet with DPD or DOH upon

request to discuss the Requisition Forms previously delivered. In case of any conflict between the terms of this Agreement and the Escrow Agreement, the terms of this Agreement shall control.

The City and Developer acknowledge that the proceeds of the Lender Financing referenced in Section 4.01 above (the "Regions Construction / Equity Bridge Loan") will be used to bridge the City Funds and that the installments of the City Funds payable pursuant to Section 4.03(b)(i) to (iii) will be applied to the partial repayment of the said Regions Construction / Equity Bridge Loan. In furtherance of the above sentence, the City acknowledges that the Developer directs that a portion of the City Funds payable pursuant to Section 4.03(b)(i) in the amount of \$[ ] and the entirety of City Funds payable pursuant to Section 4.03(b)(ii) will be disbursed, on behalf of the Developer, directly to the Bridged Funds Subaccount established pursuant the Escrow Agreement, and the City Funds payable pursuant to Section 4.03(b)(iii) will be disbursed to the account established by Developer with Senior Lender for the partial repayment of the Regions Construction / Equity Bridge Loan. The wire instructions for such account shall be provided to the City by the Developer. The parties acknowledge that the Escrow Agreement will provide that disbursements of funds deposited into the Bridged Funds Subaccount shall be made at the sole direction of the Senior Lender.

#### 4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Effect of Prior Expenditures on Equity or Lender Financing demonstrated before the Closing Date. If Developer incurs and pays Project expenses before the Closing Date and wants these expenses to reduce the amount of Equity or Lender Financing, Developer is required to provide documentation of these expenses satisfactory to DPD. Any such expenses reviewed and approved in writing by DPD, in its sole discretion, shall be referred to as "Prior Expenditures". Prior Expenditures made for TIF-Funded Improvements may be reimbursed to Developer under the terms of this Agreement. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to Developer but shall reduce the amount of Equity and/or Lender Financing Developer is required to contribute under Section 4.01.

(b) TIF District Administration Fee. Annually, the City may allocate an amount (the "TIF District Administration Fee") not to exceed five percent (5%) of the Incremental Taxes to pay costs the City incurred to administer and monitor 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 before any City Funds are paid under this Agreement.

(c) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed \$25,000 or \$100,000 in the aggregate, may be made without the prior written consent of DPD.

4.06 Cost Overruns. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to Section 4.03, or if the cost of completing the Project exceeds the Project Budget, Owner shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and of completing the Project.

4.07 Preconditions of Disbursement. Before each disbursement of City Funds, Developer shall submit documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. Developer's delivery of any request for disbursement of City Funds shall, in addition to the items expressly set forth in such request, constitute Developer's certification to the City, as of the date of such request for disbursement, that:

(a) the total amount of the disbursement request represents the actual cost of the acquisition of the Property or the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees;

(b) all amounts shown as previous payments on the current disbursement request have been paid to the parties entitled to such payment;

(c) Developer has approved all work and materials for the current disbursement request and such work and materials conform to the Plans and Specifications;

(d) the representations and warranties contained in this Agreement are true and correct and Developer is in compliance with all covenants contained in this Agreement;

(e) Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens;

(f) no Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred; and

(g) the Project is In Balance. The Project shall be deemed to be in balance ("In Balance") only if the total of the Available Project Funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. Owner hereby agrees that, if the Project is not In Balance, Owner shall, within 10 days after a written request by the City, defer developer fee or other amounts due Owner parties, or deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

The City shall have the right, in its discretion, to require Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided,

however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by Developer. In addition, Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements set forth in the TIF Ordinances, this Agreement and/or the Escrow Agreement.

4.08 Conditional Grant. The City Funds are being granted on a conditional basis, subject to Developer's compliance with the provisions of this Agreement, and are subject to being reimbursed as provided in Section 15.02.

4.09 Permitted Transfers. Notwithstanding anything herein to the contrary, City will permit (i) the limited partner of the Owner (the "Limited Partner") to remove the General Partner as the general partner of the Partnership in accordance with the Partnership's limited partnership agreement (the "Partnership Agreement"), provided the substitute general partner is acceptable to City in its reasonable discretion and the City provides its written consent, (ii) the General Partner to pledge to a lender that is providing Lender Financing (the "Lender") all of the General Partner's rights, title and interest in and to the Partnership Agreement as collateral for the obligations under the loans made or to be made by the Lender to Developer; (iii) a transfer by the Limited Partner of its limited partner interest after the Closing Date to an unaffiliated entity with the prior written consent of the City, provided, however, that the prior written consent of the City shall not be required for a transfer by the Limited Partner of its limited partner interest after the Closing Date to an affiliated entity, but prior written notice to the City is required; (iv) a transfer pursuant to a foreclosure, deed in lieu of foreclosure or similar action, of the Lender Financing; and (v) transfers of direct or indirect non-controlling interests in the General Partner or special limited partner, if any, to a trust for estate planning purposes.

## SECTION 5. CONDITIONS PRECEDENT

Developer has complied with the following conditions to the City's satisfaction on or before the Closing Date:

5.01 Project Budget. Developer has submitted to DPD, and DPD has approved, a Project Budget in accordance with the provisions of Section 3.03.

5.02 Scope Drawings and Plans and Specifications. Developer has submitted to DPD, and DPD has approved, the Scope Drawings and Plans and Specifications in accordance with the provisions of Section 3.02.

5.03 Other Governmental Approvals. Developer has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to DPD.

5.04 Financing. Developer has furnished proof reasonably acceptable to the City that Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 to complete

the Project and satisfy its obligations under this Agreement. If such funds include Lender Financing, Developer has furnished proof as of the Closing Date that the proceeds of the Lender Financing (a) are available for Developer to draw upon as needed and (b) are sufficient, along with the Equity and/or other sources set forth in Section 4.01, to complete the Project. Any liens against the Property existing at the Closing Date have been subordinated to certain encumbrances of the City set forth in this Agreement pursuant to a subordination agreement, in a form acceptable to the City, executed on or before the Closing Date, which is to be recorded, at Developer's expense, with the Cook County Clerk's Office.

5.05 Acquisition and Title. On the Closing Date, Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing Developer as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions that are Permitted Liens and evidences the recording of this Agreement pursuant to the provisions of Section 8.18. The Title Policy also contains such endorsements as shall 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. Developer has provided to DPD, on or before the Closing Date, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DPD's satisfaction, by the Title Policy and any endorsements to the Title Policy.

5.06 Evidence of Clean Title. Developer, at its own expense, has provided the City with searches as indicated in the chart below under Developer's name and Developer's trade names showing no liens against Developer, the Property or any fixtures now or hereafter affixed to the Property, except for the Permitted Liens:

<b>Jurisdiction</b>	<b>Searches</b>
Secretary of State	UCC, Federal tax
Cook County Clerk's Office	UCC, Fixtures, Federal tax, State tax, Memoranda of judgments
U.S. District Court, Northern District - Illinois	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

5.07 Surveys. Developer has furnished the City with a copy of the Survey.

5.08 Insurance. Developer, at its own expense, has insured the Property in accordance with Section 12, and has delivered certificates required pursuant to Section 12 evidencing the required coverages to DPD.

5.09 Opinion of Developer's Counsel. On the Closing Date, Developer has furnished the City with an opinion of counsel in form and substance acceptable to Corporation Counsel. If Developer has engaged special counsel in connection with the Project, and such special counsel is



unwilling or unable to give some of the opinions required by the Corporation Counsel, such opinions must be obtained by Developer from its general corporate counsel or such other counsel acceptable to the Corporation Counsel.

5.10 Evidence of Prior Expenditures. Developer has provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures, if any, in accordance with the provisions of Section 4.05(a).

5.11 Financial Statements. Developer has provided Financial Statements to DPD for its three most recent fiscal years and audited or unaudited interim financial statements.

5.12 Documentation: Employment Plan. Developer has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters in connection with the construction or rehabilitation work on the Project, including the reports described in Section 8.07.

5.13 Environmental. The Developer provided the City with a Phase I Environmental Site Assessment ("Phase I ESA") compliant with ASTM E-1527-13 for the properties dated February 2022. The Phase I ESAs must be updated to be dated within 180 days of conveyance of the properties.

The Phase I ESA identified Recognized Environmental Conditions ("RECs") and the Developer performed a Phase II ESA to ascertain the presence of any environmental impacts that may be associated with the RECs.

The Phase II ESA identified contamination above residential remediation objectives as determined by Title 35 of the Illinois Administrative Code ("IAC") Part 742, and the Developer enrolled the Property in the Illinois Environmental Protection Agency's ("IEPA") Site Remediation Program ("SRP") in order to obtain a comprehensive residential No Further Remediation ("NFR") Letter for the enrolled Property. The IEPA approved the Remedial Action Plans (RAPs) for both properties on January 9, 2023.

The Developer covenants and agrees to promptly complete all Remediation Work necessary to obtain a Final Comprehensive residential NFR Letter for the Property using all reasonable means. The City shall have the right to review in advance and approve all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the SRP Documents and any changes thereto, and the Developer's estimate of the cost to perform the Remediation Work. The Developer shall bear sole responsibility for all costs of the Remediation Work necessary to obtain the Final Comprehensive residential NFR Letter, and the costs of any other investigative and cleanup costs associated with the Property. The Developer shall promptly transmit to the City copies of all Environmental Documents prepared or received with respect to the Remediation Work, including, without limitation, any written communications delivered to or received from the IEPA or other regulatory agencies. The Developer acknowledges and agrees to not request a certificate of occupancy for the Project from

the Department of Buildings (DOB) until the IEPA has issued, and the Developer has recorded with the Cook County Clerk's Office and the City has approved, a Final Comprehensive residential NFR Letter for the Property (to the extent required), which approval shall not be unreasonably withheld. If the Developer fails to obtain the Final NFR Letter within six (6) months of the submission of the Remedial Action Completion Report to the IEPA, unless the City agreed to extend such time period, then the City shall have the right to issue a notice of default of this RDA against the Property.

The Developer must abide by the terms and conditions of the Final Comprehensive residential NFR letter and must inform any subsequent owner and tenants of the Property to abide by the terms of the NFR letter.

The City must be named in a reliance letter for all environmental assessment reports produced concerning the Property.

5.14 Corporate Documents; Economic Disclosure Statement. Developer has provided a copy of its articles or certificate of incorporation or organization containing the original certification of the Secretary of State; certificates of good standing from the Secretary of State of its state of incorporation or organization and all other states in which Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; bylaws or operating agreement; and such other organizational documentation as the City has requested.

Developer has provided to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and will provide any other affidavits or certifications as may be required by federal, state, or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference. Notwithstanding acceptance by the City of the EDS, failure of the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Developer and any other parties required by this Section 5.14 to complete an EDS must promptly update their EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate, including changes in ownership and changes in disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, and failure to promptly provide the updated EDS(s) to the City will constitute an event of default under this Agreement.

## SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. Before entering into an agreement with a General Contractor or any subcontractor for construction of the Project, Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and if requested by DPD shall submit all bids received to DPD for its inspection and written approval.

Developer must receive at least three bids for the General Contractor. Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible qualified bidder who can complete the Project in a timely manner unless otherwise approved by DOH. Developer shall submit copies of the Construction Contract to DOH in accordance with Section 6.02 below. Copies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DOH within five (5) business days after they are signed. Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DOH and all requisite permits have been obtained.

6.02 Construction Contract. Before executing the Construction Contract, Developer shall deliver to DOH a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above, for DOH's prior written approval, which DOH shall grant or deny within ten (10) business days after delivery of the proposed Construction Contract. The Developer Parties shall ensure that its General Contractor adheres to the policies and procedures outlined in the ATS Manual. Within ten (10) business days after the Construction Contract is executed by all parties thereto, Developer shall deliver to DOH and Corporation Counsel a certified copy of such contract together with any modifications, amendments, or supplements thereto.

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

6.04 Employment Opportunity. Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10.

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 10.03 (MBE/WBE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records). Copies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

## SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the construction and/or rehabilitation of the Project in accordance with the terms of this Agreement, and upon Developer's written request, DPD shall issue to Developer a Certificate in recordable form certifying that Developer has fulfilled its obligation to complete the construction and/or rehabilitation of the Project in accordance with the terms of this Agreement. DPD shall use best efforts to respond to Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by Developer to obtain the Certificate. Developer may resubmit a written request for a Certificate upon completion of such measures.

The Developer acknowledges and understands that the City will not issue the Certificate and pay out City Funds in connection with the Project, until the following conditions have been met:

- Evidence acceptable to DPD that the Total Project Cost equals or exceeds \$46,054,108; as described in Section 4.03(b), the City Funds will be reduced on a dollar-for-dollar basis if the Total Project Cost is less than this amount; and
- Evidence that Developer has incurred TIF-eligible expenses in an amount equal to, or greater than, the total amount of City Funds for the Project (up to \$14,500,000); and
- Receipt of Certificates of Occupancy for all buildings or other evidence acceptable to DPD that the developer has complied with building permit requirements for the Project; and
- Evidence acceptable to DPD in the form of a closeout letter from DPD's Compliance and Monitoring division stating that the Developer is in complete compliance with all City Requirements (MBE/WBE, City Residency, and Prevailing Wage); and
- Evidence acceptable to DPD that the Project has complied with the Sustainable Development Policy;
- Evidence acceptable to DPD that the units are being marketed for lease to tenants pursuant to the requirements set forth in the affordability provisions of the regulatory agreement executed by the Developer in connection with the Low-Income Housing Tax Credits.
- Evidence acceptable to DPD that the NFR has been secured
- Evidence acceptable to DPD of recording of the deed and
- There exists neither an Event of Default which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the construction and/or rehabilitation of the Project, and upon its issuance, the City will certify

that the terms of the Agreement specifically related to Developer's obligation to complete such activities have been satisfied. After the Certificate is issued, however, all executory terms and conditions of this Agreement and all representations and covenants contained in this Agreement will continue to remain in full force and 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 Section 8.02 (Covenant to Redevelop), Section 8.06 (Jobs Covenant; Operating Covenant), and Section 8.20 (Annual Compliance Report) as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that when the Certificate is issued, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the Certificate is issued shall be binding only upon Developer or a permitted assignee of Developer who, pursuant to Section 18.14 (Assignment) of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer's liabilities under this Agreement.

**7.03 Failure to Complete.** If Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

(a) the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed under this Agreement;

(b) the right (but not the obligation), upon not less than ten (10) days prior written notice to the Developer, to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. If the aggregate cost of completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.03, Developer (excluding Sponsor) shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from Developer (excluding Sponsor).

**7.04 Notice of Expiration of Term of Agreement.** When the Term of the Agreement expires, at Developer's written request DPD shall provide Developer with a written notice in recordable form stating that the Term of the Agreement has expired.

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

8.01 General. The representations and warranties provided by Developer under this Agreement are material conditions precedent to the City's obligations under this Agreement. Developer represents, warrants, and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder and throughout the Term of the Agreement, that:

(a) Developer is a corporation or limited liability company duly incorporated or organized, validly existing, qualified to do business in its state of incorporation or organization and 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) Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its certificate or articles of incorporation or organization, bylaws or operating agreement 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 Developer is now a party or by which Developer is now or may become bound;

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, Owner shall acquire and shall maintain good, indefeasible, and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that Developer is contesting in good faith pursuant to Section 8.15)

(e) 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 which would impair its ability to perform under this Agreement;

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

(h) Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which Developer is a party or by which Developer is bound;

(i) the Financial Statements are, and when hereafter required to be submitted will be, complete, correct in all material respects and accurately present Developer's assets, liabilities, results of operations and financial condition, and there has been no material adverse change in Developer's assets, liabilities, results of operations or financial condition since the date of Developer's most recent Financial Statements;

(j) before the Certificate is issued, Developer shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached to the Property); (3) enter into any transaction outside the ordinary course of Developer's business that would materially adversely affect the ability of the Developer to complete the Project; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity that would materially adversely affect the ability of the Developer to complete the Project; or (5) enter into any transaction that would cause a material and detrimental change to Developer's financial condition; provided however, this section shall not apply to a transfer from the Developer to one of Developer's subsidiaries or affiliates through a quitclaim

(k) Developer has not incurred, and, before the Certificate is issued, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached to the Property, except Lender Financing disclosed in the Project Budget; and

(l) 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 Developer in violation of Chapter 2-156-120 of the Municipal Code;

(m) neither Developer nor any affiliate of 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 (m) 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 share ownership, a trust, a contract or otherwise.

(n) Developer understands that (i) the City Funds are limited obligations of the City, payable solely from moneys on deposit in the account of the TIF Fund designated for the Project; (ii) the City Funds do not constitute indebtedness of the City within the meaning of any constitutional or statutory provision or limitation; (iii) Developer will have no right to compel the exercise of any taxing power of the City for payment of the City Funds; and (iv) the City Funds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of the City, the State of Illinois or any political subdivision thereof;

(o) Developer has sufficient knowledge and experience in financial and business matters, including municipal projects and revenues of the kind represented by the City Funds, and has been supplied with access to information to be able to evaluate the risks associated with the receipt of City Funds;

(p) Developer understands that there is no assurance as to the amount or timing of receipt of City Funds, and that the amounts of City Funds actually received by such party may be substantially less than the maximum amounts set forth in Section 4.03(b);

(q) Developer understands it may not sell, assign, pledge or otherwise transfer its interest in this Agreement or City Funds in whole or in part except in accordance with the terms of Section 18.14 (Assignment) of this Agreement, and, to the fullest extent permitted by law, agrees to indemnify the City for any losses, claims, damages or expenses relating to or based upon any sale, assignment, pledge or transfer of City Funds in violation of this Agreement; and

(r) Developer acknowledges that with respect to City Funds, the City has no obligation to provide any continuing disclosure to the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board, to any holder of a note relating to City Funds or any other person under Rule 15c2-12 of the Commission promulgated under the Securities Exchange Act of 1934 or otherwise and shall have no liability with respect thereto.

**8.02 Covenant to Redevelop.** Upon DPD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03, and Developer's receipt of all required building permits and governmental approvals, Developer shall redevelop the Property in accordance with this Agreement and all its Exhibits, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments to such documents, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee but shall be deemed satisfied when the City issues the Certificate.

**8.03 Redevelopment Plan.** Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan, which is hereby incorporated by reference into this Agreement.



8.04 Use of City Funds. City Funds disbursed to Developer shall be used by Developer solely to pay for (or to reimburse Developer for its payment for) the TIF-Funded Improvements as provided in this Agreement. If the City pays any of the City Funds to Sponsor, Sponsor shall be required to loan or contribute the City Funds to the Developer, to reimburse the Developer for the costs of TIF-Funded Improvements or directly pay for the costs of the TIF-Funded Improvements.

8.05 Other Bonds. 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, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements; provided, however, that any such amendments shall not have a material adverse effect on Developer or the Project. Developer shall, at 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 to such bonds.

8.06 Jobs Covenant: Operating Covenant. The Developer anticipates that the Project will result in the creation of 2.5 full-time equivalent permanent jobs (the "Permanent Jobs"), and (ii) during the construction of the Project approximately 350 construction jobs on the job-site (the "Construction Jobs," and collectively with the Permanent Jobs, the "Jobs"). Throughout the Term of the Agreement, the Developer shall submit certified employment reports disclosing the number of Jobs at the Project, and following information for each employee:

- Employee status as full-time or part-time
- ZIP code for their primary residency
- Total employment tenure in months
- Wages above or below the "Living Wage" rate as defined for that year.

to DPD as a part of the Developer's submission of the Annual Compliance Report. Notwithstanding any other provision in this Agreement to the contrary, the failure to create the specified number of Jobs shall not constitute an Event of Default.

8.07 Employment Opportunity: Progress Reports. Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10. Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City when the Project is 25%, 50%, 75% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, how Developer shall correct any shortfall.

8.08 Employment Profile. Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to DPD, from time to time, statements of its employment profile upon DPD's request.

8.09 Prevailing Wage. Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. 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, Developer shall provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 8.09.

8.10 Arms-Length Transactions. Unless DPD has given its prior written consent, no Affiliate of 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. Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by Developer and reimbursement to Developer for such costs using City Funds, or otherwise), upon DPD's request, before any such disbursement.

8.11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, 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 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 Developer's business, the Property or any other property in the Redevelopment Area.

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

8.13 Financial Statements. Developer shall obtain and provide to DPD Financial Statements for Developer's three most recent fiscal year and each fiscal year thereafter for the Term of the Agreement. In addition, Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

8.14 Insurance. Developer, at its own expense, shall comply with all provisions of Section 12.

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, Developer may pay the same together with any accrued interest

thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. Developer shall furnish to DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other proof satisfactory to DPD, evidencing payment of the Non-Governmental Charge in question.

(b) Right to Contest. Developer has the right, before any delinquency occurs:

(ii) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or

(ii) at DPD's sole option, to furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charge and all interest and penalties upon the adverse determination of such contest.

8.16 Developer's Liabilities. Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations under this Agreement or to repay any material liabilities or perform any material obligations of Developer to any other person or entity. Developer shall immediately notify DPD of any and all events or actions which may materially affect Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

8.17 Compliance with Laws. To the best of Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property. Upon the City's request, Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel) and all amendments and supplements to this Agreement to be recorded and filed, at Developer's expense, against the Property on the date hereof in the Cook County Clerk's Office.

## 8.19 Real Estate Provisions.

### (a) Governmental Charges.

- i. Payment of Governmental Charges. Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Developer, the Property or the Project, or become due and payable, and which create or may create a lien upon Developer or all or any portion of the Property or the Project. "Governmental Charge" means all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to Developer, the Property or the Project including but not limited to real estate taxes.
- ii. Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying, or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,
- iii. Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge before the final determination of such proceedings; and/or
- iv. Developer shall furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

- (b) Developer's Failure To Pay Or Discharge Lien. If Developer fails to pay any Governmental Charge or to obtain discharge of the same, then Developer shall advise DPD in writing. At that time DPD in its sole discretion may, but shall not

be obligated to, make all or any part of such payment or obtain such discharge and take any other related action which DPD deems advisable. By taking any action under this paragraph, DPD shall not waive or release any obligation or liability of Developer under this Agreement. The Developer shall promptly reimburse DPD for all sums, if any, DPD pays under this paragraph and expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto. Notwithstanding anything contained in this paragraph to the contrary, this paragraph shall not be construed to obligate the City to pay any Governmental Charge. If Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require Developer to submit to the City audited Financial Statements at Developer's own expense.

(c) Real Estate Taxes.

[intentionally omitted]

(d) Notification to the Cook County Assessor of Change in Use or Ownership. If required under 35 ILCS 200/15-20 due to a change in use or ownership of the Property, within 90 days after the Closing Date, Developer shall complete a letter of notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor of such change in use or ownership. After delivery of the notification, Developer shall forward a copy of the return receipt to DPD, with a copy to the City's Corporation Counsel's office.

8.20 Annual Compliance Report. Starting when the Certificate is issued and continuing throughout the Term of the Agreement, Developer shall submit to DPD the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates.

8.21 Inspector General. It is the duty of Developer and the duty of any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all of Developer's officers, directors, agents, partners, and employees and any such 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. Developer represents that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.

8.22 Sustainable Development Policy. The Developer shall provide evidence acceptable to the City that they have complied with the Sustainable Development Policy for the Project within one (1) year after the date of the Certificate. If a default occurs under this Section 8.22, the City shall have the right to reduce the City Funds by \$250,000 as described in Section 15.02.

8.23. FOIA and Local Records Act Compliance.

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

(b) Exempt Information. Documents that Developer submits to the City as part of the Annual Compliance Report or otherwise during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer mark any such documents as "proprietary, privileged or confidential." If Developer marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq., as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act.

8.24 Survival of Covenants. All warranties, representations, covenants and agreements of Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties to this Agreement and, except as provided in Section 7 when the Certificate is issued, shall be in effect throughout the Term of the Agreement.

8.25 Increment and Rate of Return Reporting. Developer agrees to report the increment projected to be created by the Project at the Closing Date. Developer agrees to report the increment to date created by the Project. Developer agrees to report the Project's rate of return. Rate of return report to be independently verified by a third party chosen by the City.

8.26 Job Readiness Program. Developer and its major tenants, if applicable, shall undertake a job readiness program to work with the City, through the Mayor's Office of Workforce Development, to participate in job training programs to provide job applicants for the jobs created by the Project and the operation of Developer's business on the Property.

8.27 Affordable Housing Covenant. Developer agrees and covenants to the City that, prior to any foreclosure of the Property by a lender providing Lender Financing, the provisions of that

certain Low Income Housing Tax Credit Regulatory Agreement executed by Owner and DOH as of the date hereof shall govern the terms of Developer's obligation to provide affordable housing. Following foreclosure, if any, and from the date of such foreclosure through the Term of the Agreement, the following provisions shall govern the terms of the obligation to provide affordable housing under this Agreement:

(a) The Facilities shall be operated and maintained solely as residential rental housing and ground-floor commercial spaces.

(b) No residential housing units in the Facilities shall be leased to market rate households;

(c) At least 40% of the units in each of the 6-Story Facility and the 3-Flat facilities shall be affordable to 60% AMI Households (as defined below)

(d) At least 60% of the units in each of the 6-Story Facility and the 3-Flat facilities shall be affordable to 80% AMI Households (as defined below)

(e) As used in this Section 8.27, the following terms have the following meanings:

- i. "Household" shall mean one or more individuals, whether or not related by blood or marriage; and
- ii. 60% AMI Households shall mean Households whose annual income does not exceed sixty percent (60%) of the Chicago-area median income, adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition.
- iii. 80% AMI Households shall mean Households whose annual income does not exceed eighty percent (80%) of the Chicago-area median income, adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition.

(e) The covenants set forth in this Section 8.27 shall run with the land and be binding upon any transferee.

## SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

9.01 General Covenants. The City represents that it has the authority as a home rule unit of local government to execute and deliver this Agreement and to perform its obligations under this Agreement.

9.02 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 9 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties to this Agreement and be in effect throughout the Term of the Agreement.

## SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. 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 Developer operating on the Property (collectively, with 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:

(a) 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.

(b) 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.

(c) 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.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section, 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.

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) 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.

(f) Failure to comply with the employment obligations described in this Section 10.01 shall be a basis for the City to pursue remedies under the provisions of Section 15.02.

10.02 City Resident Construction Worker Employment Requirement. Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply 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 (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, Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

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

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 DPD 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.

Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DPD, the

Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. 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 DPD, affidavits and other supporting documentation will be required of 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 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 Section 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 Developer has failed to ensure the fulfillment of the requirement of this Section 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 Section. 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 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 Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to Developer pursuant to Section 2-92-250 of the Municipal Code may be withheld by the City pending the Chief Procurement Officer's determination as to whether 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.

Developer shall cause or require the provisions of this Section 10.02 to be included in all construction contracts and subcontracts related to the Project.

10.03. MBE/WBE Commitment. Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the General Contractor to agree that during the Project:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit B) shall be expended for contract participation by MBEs and by WBEs:

- (1) At least 26 percent by MBEs.
- (2) At least 6 percent by WBEs.

(b) For purposes of this Section 10.03 only, Developer (and any party to whom a contract is let by Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code, Developer's MBE/WBE commitment may be achieved in part by Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by 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 Developer utilizing a MBE or a WBE as the 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 or services 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 Developer's MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code, Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

(d) Developer shall deliver quarterly reports to the City's monitoring staff during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by 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 the City's monitoring staff in determining Developer's compliance with this MBE/WBE commitment. Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by Developer, on five Business Days' notice, to allow the City to review Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, 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 Sections 2-92-540 and 2-92-730, Municipal Code, as applicable.

(f) Any reduction or waiver of Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code, as applicable.

(g) Before starting the Project, Developer shall be required to meet with the City's monitoring staff with regard to Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to Developer to halt the Project, (2) withhold any further payment of any City Funds to Developer or the General Contractor, or (3) seek any other remedies against Developer available at law or in equity.

## SECTION 11. ENVIRONMENTAL MATTERS

Developer hereby represents and warrants to the City that Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all its Exhibits, the Scope Drawings, Plans and Specifications and all amendments thereto and the Redevelopment Plan.

Without limiting any other provisions hereof, Developer (except for Sponsor) 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 as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which Developer, or any person directly or indirectly controlling, controlled by or under common control with Developer, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or Developer or any of its Affiliates under any Environmental Laws relating to the Property.

## SECTION 12. INSURANCE

Developer must provide and maintain, at Developer's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

(a) Before execution and delivery of this Agreement.

(i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident, illness or disease.

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations independent contractors, separation of insureds, defense, and contractual

liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) All Risk Property

All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(b) Construction. Before the construction of any portion of the Project, Developer will cause its architects, contractors, subcontractors, project managers and other parties constructing the Project to procure and maintain the following kinds and amounts of insurance:

(i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than \$ 500,000 each accident, illness or disease.

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Developer must provide cause to be provided with respect to the operations that Contractors perform, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the

aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk /Builders Risk

When Developer undertakes any construction, including improvements, betterments, and/or repairs, Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than \$ 1,000,000. Coverage must include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever, and must have limits sufficient to pay for the re-creation and reconstruction of such records.

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, Developer must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(d) Other Requirements:

Developer must furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street, Chicago, Illinois 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. Developer must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent before closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Developer is not a waiver by the City of any requirements for Developer to obtain and maintain the specified coverages. Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and/or terminate agreement until proper evidence of insurance is provided.

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Developer and Contractors.

Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Developer in no way limit Developer's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by Developer under the Agreement.

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



If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Developer must require Contractor and subcontractors to provide the insurance required herein, or Developer may provide the coverages for Contractor and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement.

If Developer, any Contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

### SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Developer (excluding Sponsor) 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 "Indemnites") 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 Indemnites in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnites shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnites in any manner relating or arising out of:

(i) Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

(ii) Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or

(iii) the existence of any material misrepresentation or omission in this Agreement, any official statement, limited offering memorandum or private placement memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of Developer or any Affiliate of Developer; or

(iv) Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating to this Agreement;

provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

#### SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at Developer's expense. Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by Developer with respect to the Project.

14.02 Inspection Rights. Upon three (3) business days' notice, any authorized representative of the City has access to all portions of the Project and the Property during normal business hours for the Term of the Agreement.

#### SECTION 15. DEFAULT AND REMEDIES

15.01 Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default" by Developer under this Agreement:

(a) Developer fails to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under this Agreement or any related agreement;

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

(c) Developer makes or furnishes to the City 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 under this Agreement, 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 proceedings in bankruptcy by or against Developer or for the liquidation or reorganization of Developer, or alleging that Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving 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 Developer, for any substantial part of Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of 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) any judgment or order is entered against Developer and remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

(h) an event of default occurs under the Lender Financing, which default is not cured within any applicable cure period;

(i) the dissolution of Developer or the death of any natural person who owns a material interest in Developer;

(j) a criminal proceeding (other than a misdemeanor) is instituted in any court against Developer or any natural person who owns a material interest in Developer and is not dismissed within thirty (30) days, or Developer or any natural person who owns a material interest in Developer is indicted for any crime (other than a misdemeanor);

(k) prior to the expiration of the Term of the Agreement, the sale or transfer of a majority of the ownership interests of Developer without the prior written consent of the City;

(l) Developer or any party that is a Controlling Person (defined in Section 1-23-010 of the Municipal Code) with respect to Developer fails to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code; such failure shall render this Agreement voidable or subject to termination, at the option of the Chief Procurement Officer; or

(m) Developer fails to submit the Annual Compliance Report to the City within 60 days after each anniversary of the Closing Date during the Term of the Agreement as provided in Section 8.20.

(n) Developer fails to secure the Certificate for the Project prior to the second anniversary of the RDA Closing Date.

For purposes of Sections 15.01(i) and 15.01(j), a person with a material interest in Developer shall be one having a direct or indirect beneficial interest (including ownership) exceeding 10% of Developer.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and Developer are or shall be parties, suspend disbursement of City Funds, place a lien on the Project in the amount of City Funds paid, seek reimbursement from Owner of any City Funds paid and/or draw down up to the entire balance of the Letter of Credit, if any, as set forth in this Section 15.02 below. 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, including but not limited to damages, injunctive relief or the specific performance of the agreements contained in this Agreement.

Upon the occurrence of an Event of Default under Section 15.01(m), Developer (but not Sponsor) shall be obligated to pay to the City the amount of \$10,000 as liquidated damages, and not as a penalty, which such payment shall be required no more often than once per calendar year. Any payment of liquidated damages by Developer shall not relieve Developer of its obligation under Section 8.20.

Upon the occurrence of an Event of Default because of failure to comply with Section 8.22, (Sustainable Development Policy), the City's remedy shall be the right to reduce the amount of City Funds by \$250,000.

15.03 Curative Period. In the event Developer shall fail to perform a monetary covenant which Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event Developer shall fail to perform a non-monetary covenant which Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless 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, 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. Any performance of Developer

duties, obligations or rights (including cure rights) that is offered to the City by either the Owner or the Sponsor on behalf of the Developer will be evaluated and accepted or rejected by the City as though offered by both Developer parties.

15.04 Limited Partner Cure Period. The City agrees to give the Limited Partner written notice of any and all defaults by the Owner under this Agreement, and an opportunity, at the Limited Partner's option, to cause the cure of such default within the cure periods set forth below, prior to exercising any remedies under the this Agreement. The City agrees that the Limited Partner will have ten (10) days after the Limited Partner's receipt of notice of such default to cure, or cause the cure, of a monetary default under the this Agreement, and thirty (30) days (or such longer period as is set forth in the this Agreement) after the Limited Partner's receipt of such notice to cure any non-monetary defaults under the this Agreement, or, as to non-monetary defaults, such longer period as is reasonably necessary for the Limited Partner to cause cure, provided that cure is commenced within the above cure period and is diligently prosecuted. The City agrees to accept a cure by the Limited Partner as if such cure were made by Owner.

## SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date of this Agreement with respect to the Property or any portion thereof that were made before or on the date of this Agreement in connection with Lender Financing and which are Permitted Liens are referred to in this Agreement as the "Existing Mortgages." Any mortgage or deed of trust that Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to in this Agreement as a "New Mortgage." Any New Mortgage that Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof with the prior written consent of the City is referred to in this Agreement as a "Permitted Mortgage." The City and Developer agree as follows:

(a) If a mortgagee or any other party shall succeed to Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest under this Agreement in accordance with Section 18.14 (Assignment), the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) If any mortgagee shall succeed to Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest under this Agreement in accordance with Section 18.14 (Assignment), the City hereby agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the

obligations and liabilities of "Developer" under this Agreement; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of Developer which accrued before such party succeeded to the interest of Developer under this Agreement, in which case Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of Developer's interest under this Agreement, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Before the City issues a Certificate under Section 7, Developer shall not execute a New Mortgage with respect to the Property or any portion of the Property without the prior written consent of the Commissioner of DPD.

#### SECTION 17. NOTICE

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

If to the City:	If to Developer:
City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner	New City Redevelopment Limited Partnership c/o Celadon Partners, LLC 4707 S. Marshfield Avenue Chicago, IL 60609 Attention: Aron Weisner  With copies to:  New City Redevelopment Limited Partnership c/o Blackwood Development Partners LLC 3613 S. Union Avenue Chicago, IL 60609 Attention: Jose Duarte  And to:  Celadon Construction Corporation NFP

	325 N. LaSalle Dr., Suite 350 Chicago, IL 60654 Attention: Board President
With Copies To:  City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division	With Copies To:  Applegate & Thorne-Thomsen, P.C. 425 South Financial Place, Suite 1900 Chicago, Illinois 60605 Attention: Nick Brunick  And  Miner, Barnhill & Galland, P.C. 325 N. LaSalle St., Suite 350 Chicago, IL 60654 Attn: Paul Balik  And  RAH Investor 415 LLC c/o Regions Affordable Housing 111 Great Neck Road, Suite 500 Great Neck, New York 11021  And  Kutak Rock LLP 1650 Farnam Street Omaha, Nebraska 68102 Attn: Jill H. Goldstein  And  Regions Bank c/o Regions Affordable Housing LLC Associate General Counsel 111 Great Neck Road, Suite 500 Great Neck, NY 11021 Attention: Morris P. Hershman

	Telephone: 516-869-7460 Email: morris.hershman@regions.com  And  Kutak Rock, LLP 1650 Farnam Street Omaha, Nebraska 68102 Attention: Richard Bonness Email: richard.bonness@kutakrock.com
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Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

## SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and its Exhibits may not be amended or modified without the prior written consent of the parties to this Agreement; provided, however, that the City, in its sole discretion, may amend, modify, or supplement the Redevelopment Plan without the consent of any party to this Agreement. 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 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than ninety (90) days.

18.02 Entire Agreement. This Agreement (including each Exhibit attached to this Agreement, which is hereby incorporated into this Agreement by reference) constitutes the entire agreement between the parties to this Agreement and it supersedes all prior agreements, negotiations, and discussions between the parties relative to the subject matter of this Agreement.

18.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to 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 Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

18.04 Further Assurances. 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.

18.05 Waiver. Waiver by the City or 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 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 of this Agreement. 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 to this Agreement, shall constitute a waiver of any such parties' rights or of any obligations of any other party to this Agreement as to any future transactions.

18.06 Remedies Cumulative. The remedies of a party under this Agreement are cumulative and the exercise of any one or more of the remedies provided for in this Agreement shall not be construed as a waiver of any other remedies of such party unless specifically so provided in this Agreement.

18.07 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.

18.08 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.

18.09 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 in this Agreement and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

18.10 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances, such ordinance(s) shall prevail and control.

18.11 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.

18.12 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.

18.13 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD, DOH, or the Commissioner, or any matter is to be to the City's, DPD's, DOH'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, DPD, DOH 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, DOH or DPD in making all approvals, consents, and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

18.14 Assignment. 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. Any successor in interest to Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, as described in Section 7.02 (Effect of Issuance of Certificate; Continuing Obligations), for the Term of the Agreement. Developer consents to the City's sale, transfer, assignment, or other disposal of this Agreement at any time in whole or in part.

18.15 Binding Effect. This Agreement shall be binding upon Developer, the City and their respective successors and permitted assigns (as provided in this Agreement) and shall inure to the benefit of Developer, the City and their respective successors and permitted assigns (as provided in this Agreement). Except as otherwise provided in this Agreement, 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.

18.16 Force Majeure. Neither the City nor 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 under this Agreement. 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.

18.17 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 *et seq.*), if Developer is required to provide notice under the WARN Act, 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 Developer has locations in the State. Failure by 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 in this Agreement.

18.18 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party to this Agreement 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.

18.19 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-judgment collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

18.20 Business Relationships. Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (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 that creates a "Financial Interest" (as defined in Section 2-156-010 of the Municipal Code)(a "Financial Interest"), 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 that creates a Financial Interest, 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 that creates a Financial Interest, 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. 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.

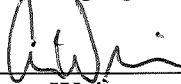
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IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be executed on or as of the day and year first above written.

**New City Redevelopment Limited Partnership,  
an Illinois limited partnership**

By: Celadon-Blackwood GP 1, LLC,  
an Illinois limited liability company,  
its general partner

By: Celadon Partners, LLC,  
an Illinois limited liability company,  
its managing member

By:   
Name: Aron Weisner  
Title: Manager

COOK COUNTY CLERK OFFICE  
RECORDING DIVISION  
118 N. CLARK ST. ROOM 120  
CHICAGO, IL 60602-1387

**Celadon Construction Corporation, NFP,  
an Illinois not-for-profit corporation**

By: \_\_\_\_\_  
Name: Abraham Lacy  
Title: Authorized Representative

COOK COUNTY CLERK OFFICE  
RECORDING DIVISION  
118 N. CLARK ST. ROOM 120  
CHICAGO, IL 60602-1387

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

By: \_\_\_\_\_  
Name: Ciere Boatright  
Title: Commissioner

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

**New City Redevelopment Limited Partnership,  
an Illinois limited partnership**


By: Celadon-Blackwood GP 1, LLC,  
an Illinois limited liability company,  
its general partner

By: Celadon Partners, LLC,  
an Illinois limited liability company,  
its managing member

By: \_\_\_\_\_  
Name: Aron Weisner  
Title: Manager

COOK COUNTY CLERK OFFICE  
RECORDING DIVISION  
118 N. CLARK ST. ROOM 120  
CHICAGO, IL 60602-1387

**Celadon Construction Corporation, NFP,  
an Illinois not-for-profit corporation**

By:  \_\_\_\_\_  
Name: Abraham Lacy  
Title: Authorized Representative

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

By: \_\_\_\_\_  
Name: Ciere Boatright  
Title: Commissioner

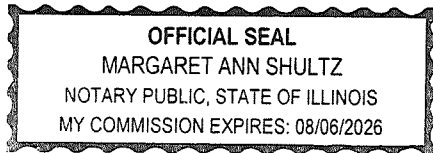
STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that Aron Weisner, personally known to me to be the Manager of Celadon Partners, LLC, an Illinois limited liability company (the "Managing Member"), the managing member of Celadon-Blackwood GP 1, LLC, an Illinois limited liability company (the "General Partner"), the general partner of New City Redevelopment Limited Partnership, an Illinois limited partnership, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Manager, he signed and delivered the said instrument, pursuant to authority given by the members of the Managing Member as his free and voluntary act, and as the free and voluntary act and deed of the Managing Member, General Partner, and New City Redevelopment Limited Partnership, for the uses and purposes therein set forth.

Given under my hand and official seal this 3rd day of July, 2024.

(SEAL)

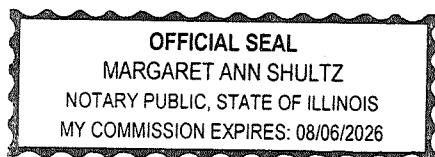
Margaret Ann Shultz  
Notary Public



STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, the undersigned, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Abraham Lacy, personally known to me to be the Authorized Representative of Celadon Construction Corporation, NFP, an Illinois not-for-profit corporation (the "Sponsor"), 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 Sponsor, as his/her free and voluntary act and as the free and voluntary act of Sponsor, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 16<sup>th</sup> day of July, 2024.



Margaret Ann Shultz  
Notary Public

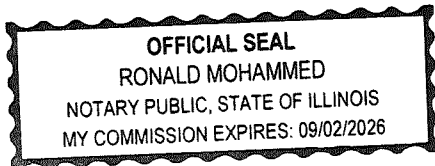
My Commission Expires 8-6-26

(SEAL)

STATE OF ILLINOIS       )  
                                      ) SS  
COUNTY OF COOK        )

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

GIVEN under my hand and notarial seal this 22nd day of JULY, 2024.



Ronald Mohammed

Notary Public

(SEAL)



## **Exhibit A**

### **Legal Description of the Property**

#### **PARCEL 1 (6-Story Project Site):**

LOTS 7, 8, 9, 10 AND 11 IN BLOCK 6 OF KAY'S ADDITION TO CHICAGO, BEING A SUBDIVISION IN THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 AND THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF SECTION 8, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 1517 West 47th Street and 4701-4703 South Justine Street, Chicago IL 60609

PINs: 20-08-101-055-0000

#### **PARCEL 2: (3-Flat Project Site)**

THE WEST 48.0 FEET OF LOTS 1, 2, 3 AND 4 IN JARS RESUBDIVISION OF LOTS 1 THROUGH 4 IN BLOCK 2 IN BERGER & JACOB'S SUBDIVISION OF BLOCK 9 ACCORDING TO THE PLAT RECORDED JULY 7, 1879 AS DOCUMENT NUMBER 228669, IN STONE & WHITNEY'S SUBDIVISION RECORDED DECEMBER 29, 1856 ANTE-FIRE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 6 & THE NORTH HALF AND WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO JARS RESUBDIVISION AFORESAID RECORDED SEPTEMBER 8, 2023 AS DOCUMENT NUMBER 2325134073 IN COOK COUNTY, ILLINOIS.

Common Address: 1639-41 West 47<sup>th</sup> Street, Chicago, IL 60609  
(or, alternatively, 4706-12 South Marshfield Avenue (or part thereof)

PINs: 20-07-206-008-0000  
20-07-206-009-0000

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

**New City Redevelopment Limited Partnership,  
an Illinois limited partnership**

By: Celadon-Blackwood GP 1, LLC,  
an Illinois limited liability company,  
its general partner

By: Celadon Partners, LLC,  
an Illinois limited liability company,  
its managing member

By: \_\_\_\_\_  
Name: Aron Weisner  
Title: Manager

COOK COUNTY CLERK OFFICE  
RECORDING DIVISION  
118 N. CLARK ST. ROOM 120  
CHICAGO, IL 60602-1387

**Celadon Construction Corporation, NFP,  
an Illinois not-for-profit corporation**

By: \_\_\_\_\_  
Name: Abraham Lacy  
Title: Authorized Representative

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

By: C. Boatright  
Name: Ciere Boatright  
Title: Commissioner

## Exhibit B

### Project Budgets (Project Budget, MBE/WBE Budget and TIF-Funded Improvements)

#### PROJECT BUDGET

<u>Item</u>	<u>Amount</u>
Land Acquisition	\$ 504,004
Unit Construction Costs	\$ 26,814,094
Commercial Construction Costs	\$ -
Other Hard Construction Costs	\$ 7,124,293
Soft Costs:	
Soil Testing	\$ 305,000
Professional Fees	\$ 3,968,324
Lender Fees	\$ 3,770,472
Insurance and Taxes	\$ 189,839
Marketing and Leasing	\$ 100,000
Developer Fee	\$ 1,527,408
Deferred Developer Fee	\$ 1,140,592
Reserves	\$ 610,082
Tenant Services	\$ -
<b>Total Project Costs</b>	<b>\$ 46,054,108</b>

#### MBE/WBE BUDGET

Project Hard Costs	\$ 33,938,387
Project Soft Costs (Arch., Eng., Etc.)	\$ 1,984,196
Project MBE/WBE Total Budgets	\$ 35,922,583
Project MBE Total at 26%	\$ 9,339,872
Project WBE Total at 6%	\$ 2,155,355

\* With the exception of Land, Project Budget amounts above are based on 51 affordable units

# **TIF-FUNDED IMPROVEMENTS**

<u>Category</u>	<u>Project Budget*</u>	<u>% TIF Eligible</u>	<u>TIF Eligible Cost</u>
Land Acquisition	\$ 448,001	100%	\$ 448,001
Public Works or Site Improvements	\$ -	100%	\$ -
Affordable Housing Unit Hard Costs	\$ 30,568,068	50%	\$ 15,284,034
Environmental Remediation	\$ 75,000	100%	\$ 75,000
Eligible Soft Costs (Constr. Related)			
Architect-Design	\$ 1,297,411	50%	\$ 648,706
Architect-Supervision	\$ 110,000	50%	\$ 55,000
Engineer	\$ -	50%	\$ -
Soft Interest	\$ 1,585,000	30%	\$ 475,500
<b>TOTAL</b>			<b>\$ 16,986,241</b>

Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in Section 4.03.

Exhibit C

Requisition Form

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

The affiant, \_\_\_\_\_, of \_\_\_\_\_, a  
\_\_\_\_\_ (the "Developer"), hereby certifies that with respect to the  
\_\_\_\_\_ Redevelopment Agreement between Developer and the City of Chicago  
dated \_\_\_\_\_, \_\_\_\_\_ (the "Agreement"):

A. Expenditures for the Project, in the total amount of \$ \_\_\_\_\_, have been  
made.

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-  
Funded Improvements for the Project reimbursed by the City to date:

\$ \_\_\_\_\_  
C. Developer requests reimbursement for the following cost of TIF-Funded  
Improvements:

\$ \_\_\_\_\_  
D. None of the costs referenced in paragraph C above have been previously  
reimbursed by the City.

E. Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and  
warranties contained in the Agreement are true and correct and Developer is in compliance with  
all applicable covenants contained in the Agreement.

2. No event of Default or condition or event which, with the giving of notice  
or passage of time or both, would constitute an Event of Default, exists or has occurred.

All capitalized terms which are not defined in this Requisition Form has the meanings  
given such terms in the Agreement.

[Developer]

By: \_\_\_\_\_  
Name  
Title: \_\_\_\_\_

Subscribed and sworn before me this \_\_\_\_ day of \_\_\_\_\_  
\_\_\_\_\_.

My commission expires: \_\_\_\_\_

Agreed and accepted:

\_\_\_\_\_  
Name  
Title: \_\_\_\_\_  
City of Chicago  
Department of Planning and Development

COOK COUNTY CLERK OFFICE  
RECORDING DIVISION  
118 N. CLARK ST. ROOM 120  
CHICAGO, IL 60602-1387

COOK COUNTY CLERK OFFICE  
RECORDING DIVISION  
118 N. CLARK ST. ROOM 120  
CHICAGO, IL 60602-1387

FY 2024

Name of Redevelopment Project Area:

47th/Ashland

Agreements entered into concerning the disposition or redevelopment of property within the Project Area during the reporting year are listed below

<u>Parties to Agreement with City</u>	<u>Project Description</u>	<u>Address</u>
N/A	Construction of Mixed Use Property	1515 W 47TH ST
N/A	Construction of Mixed Use Property	1428 W 50TH ST
N/A	Construction of Mixed Use Property	4952 S LOOMIS ST
N/A	Construction of Mixed Use Property	5028 S LAFLIN ST
N/A	Construction of Mixed Use Property	5019 S BISHOP ST

CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND  
REDEVELOPMENT PROJECT  
  
FINANCIAL REPORT  
  
DECEMBER 31, 2024



CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT

C O N T E N T S

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Brandon Johnson, Mayor  
Members of the City Council  
City of Chicago, Illinois

### **Opinion**

We have audited the accompanying financial statements of the 47th/Ashland Redevelopment Project of the City of Chicago, Illinois, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Project's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the 47th/Ashland Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Chicago, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Emphasis of Matter**

As described in Note 1, the financial statements of the 47th/Ashland Redevelopment Project, City of Chicago, Illinois, are intended to present the financial position and the changes in financial position, of only that portion of the debt service and special revenue funds of the City of Chicago, Illinois that is attributable to the transactions of the 47th/Ashland Redevelopment Project. They do not purport to, and do not, present the financial position of the City of Chicago, Illinois, as of December 31, 2024 and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery,

intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Chicago's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

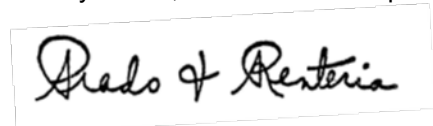
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the 47th/Ashland Redevelopment Project's basic financial statements. The Schedule of Expenditures by Statutory Code is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



June 27, 2025

CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(UNAUDITED)

As management of the 47th/Ashland Tax Increment Redevelopment Project Area (Project), we offer the readers of the Project's financial statements this narrative overview and analysis of the Project's financial performance for the year ended December 31, 2024. Please read it in conjunction with the Project's financial statements, which follow this section.

*Overview of the Financial Statements*

This discussion and analysis is intended to serve as an introduction to the Project's basic financial statements. The Project's basic financial statements include three components: 1) government-wide financial statements, 2) governmental fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information concerning the Project's expenditures by statutory code.

*Basic Financial Statements*

The basic financial statements include two kinds of financial statements that present different views of the Project – the *Government-Wide Financial Statements* and the *Governmental Fund Financial Statements*. These financial statements also include the notes to the financial statements that explain some of the information in the financial statements and provide more detail.

*Government-Wide Financial Statements*

The government-wide financial statements provide both long-term and short-term information about the Project's financial status and use accounting methods similar to those used by private-sector companies. The statement of net position includes all of the project's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the Project's net position and how they have changed. Net position – the difference between the Project's assets and liabilities – is one way to measure the Project's financial health, or position.

*Governmental Fund Financial Statements*

The governmental fund financial statements provide more detailed information about the Project's significant funds – not the Project as a whole. Governmental funds focus on: 1) how cash and other financial assets can readily be converted to cash flows and 2) the year-end balances that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more financial resources that can be spent in the near future to finance the Project. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the statements to explain the relationship (or differences) between them.

CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(UNAUDITED)  
(Continued)

*Notes to the Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and governmental funds financial statements. The notes to the financial statements follow the basic financial statements.

*Other Supplementary Information*

In addition to the basic financial statements and accompanying notes, this report also presents a schedule of expenditures by statutory code. This supplementary information follows the notes to the financial statements.

*Condensed Comparative Financial Statements*

The condensed comparative financial statements are presented on the following page.

*Analysis of Overall Financial Position and Results of Operations*

Property tax revenue for the Project was \$3,510,145 for the year. This was a decrease of 30 percent over the prior year. The change in net position (including other financing sources) produced an increase in net position of \$6,482,660. The Project's net position increased by 57 percent from the prior year making available \$17,818,688 of funding to be provided for purposes of debt service and future redevelopment in the Project's designated area. Expenses increased this year due to the Project's formulation of a redevelopment plan or necessary funding was substantially complete and available.

*Debt Administration*

General Obligation Bonds (Modern Schools Across Chicago Program) outstanding at December 31, 2024 amounted to \$3,770,000. More detailed information about the Project's long-term liabilities is presented in Note 3 of the financial statements.

CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(UNAUDITED)  
 (Concluded)

Government-Wide

	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>% Change</u>
Total assets	\$ 27,049,989	\$ 17,381,913	\$ 9,668,076	56%
Total liabilities	<u>9,231,301</u>	<u>6,045,885</u>	<u>3,185,416</u>	53%
Total net position	<u>\$ 17,818,688</u>	<u>\$ 11,336,028</u>	<u>\$ 6,482,660</u>	57%
Total revenues	\$ 3,532,884	\$ 5,477,649	\$ (1,944,765)	-36%
Total expenses	<u>5,716,891</u>	<u>1,471,795</u>	<u>4,245,096</u>	288%
Other financing sources	<u>8,666,667</u>	<u>-</u>	<u>8,666,667</u>	100%
Changes in net position	<u>6,482,660</u>	<u>4,005,854</u>	<u>2,476,806</u>	62%
Ending net position	<u>\$ 17,818,688</u>	<u>\$ 11,336,028</u>	<u>\$ 6,482,660</u>	57%

CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT

STATEMENT OF NET POSITION AND  
GOVERNMENTAL FUNDS BALANCE SHEET  
DECEMBER 31, 2024

<u>A S S E T S</u>	Governmental Funds	Adjustments	Statement of Net Position
Cash and investments	\$ 23,260,480	\$ -	\$ 23,260,480
Property taxes receivable	3,737,140	-	3,737,140
Accrued interest receivable	52,369	-	52,369
Total assets	<u>\$ 27,049,989</u>	<u>\$ -</u>	<u>\$ 27,049,989</u>
<u>LIABILITIES AND DEFERRED INFLOWS</u>			
Vouchers payable	\$ 5,358,304	\$ -	\$ 5,358,304
Due to other City funds	44,550	-	44,550
Other accrued liability	58,447	-	58,447
Bonds payable (Note 3):			
Due within one year	-	1,800,000	1,800,000
Due after one year	-	1,970,000	1,970,000
Total liabilities	<u>5,461,301</u>	<u>3,770,000</u>	<u>9,231,301</u>
Deferred inflows	<u>3,160,255</u>	<u>(3,160,255)</u>	<u>-</u>
<u>FUND BALANCE/NET POSITION</u>			
Fund balance:			
Restricted for debt service	1,922,660	(1,922,660)	-
Restricted for future redevelopment project costs	<u>16,505,773</u>	<u>(16,505,773)</u>	<u>-</u>
Total fund balance	<u>18,428,433</u>	<u>(18,428,433)</u>	<u>-</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 27,049,989</u>		
Net position:			
Restricted for debt service		1,993,783	1,993,783
Restricted for future redevelopment project costs		<u>15,824,905</u>	<u>15,824,905</u>
Total net position		<u>\$ 17,818,688</u>	<u>\$ 17,818,688</u>

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds	\$ 18,428,433
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	3,160,255
Long-term liabilities applicable to the Project's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All long-term liabilities are reported in the statement of net position.	<u>(3,770,000)</u>
Total net position - governmental activities	<u>\$ 17,818,688</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Property tax	\$ 3,812,217	\$ (302,072)	\$ 3,510,145
Interest income (loss)	(73,179)	-	(73,179)
Miscellaneous revenue	95,918	-	95,918
Total revenues	<u>3,834,956</u>	<u>(302,072)</u>	<u>3,532,884</u>
Expenditures/expenses:			
Economic development projects	5,434,994	-	5,434,994
Debt service:			
Principal retirement	1,740,000	(1,740,000)	-
Interest	281,897	-	281,897
Total expenditures/expenses	<u>7,456,891</u>	<u>(1,740,000)</u>	<u>5,716,891</u>
Excess of expenditures over revenues	(3,621,935)	3,621,935	-
Other financing sources:			
Operating transfers in (Note 4)	8,666,667	-	8,666,667
Excess of revenues and other financing sources over expenditures	5,044,732	(5,044,732)	-
Change in net position	-	6,482,660	6,482,660
Fund balance/net position:			
Beginning of year	13,383,701	(2,047,673)	11,336,028
End of year	<u>\$ 18,428,433</u>	<u>\$ (609,745)</u>	<u>\$ 17,818,688</u>

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance - governmental funds	\$ 5,044,732
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	(302,072)
Repayment of bond principal is reported as an expenditure in governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. For governmental activities, however, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities.	1,740,000
Change in net position - governmental activities	<u>\$ 6,482,660</u>

The accompanying notes are an integral part of the financial statements.



CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

(a) *Reporting Entity*

In March 2002, the City of Chicago (City) established the 47th/Ashland Tax Increment Redevelopment Project Area (Project). The area has been established to finance improvements, leverage private investment and create and retain jobs. The Project is accounted for within the debt service and special revenue funds of the City.

The financial statements present only the activities of the 47th/Ashland Tax Increment Redevelopment Project and do not purport to present the financial position and the changes in financial position of any other debt service and special revenue funds of the City of Chicago, Illinois, as of December 31, 2024 and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

(b) *Accounting Policies*

The accounting policies of the Project are based upon accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

(c) *Government-wide and Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) and the governmental fund financial statements (i.e., the balance sheet and the statement of governmental fund revenues, expenditures and changes in fund balance) report information on the Project. See Note 1(a).

(d) *Measurement Focus, Basis of Accounting and Financial Statements Presentation*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

The governmental funds financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting* with only current assets and liabilities included on the balance sheet. Under *the modified accrual basis of accounting*, revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are susceptible to accrual and recognized as a receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end. Expenditures are recorded when the liability is incurred.

CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS  
(Continued)

Note 1 – Summary of Significant Accounting Policies (Continued)

(d) *Measurement Focus, Basis of Accounting and Financial Statements Presentation (Concluded)*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

(e) *Assets, Liabilities and Net Position*

*Cash and Investments*

Cash being held by the City is generally deposited with the City Treasurer as required by the Municipal Code of Chicago. The City Comptroller issues warrants for authorized City expenditures which represent a claim for payment when presented to the City Treasurer. Payment for all City warrants clearing is made by checks drawn on the City's various operating bank accounts.

The City Treasurer and City Comptroller share responsibility for investing in authorized investments. Interest earned and fair market value adjustments on pooled investments are allocated to participating funds based on their average combined cash and investment balances. Since investment income is derived from pooled investments, the fair value measurement and fair value hierarchy disclosures of GASB 72 will not be separately presented in a note disclosure.

The City values its investments at fair value or amortized cost. U.S. Government securities purchased at a price other than par with a maturity of less than one year are recognized at amortized cost. In 2024, due to fair value adjustments, investment income is showing a loss.

*Deferred Inflows*

Deferred inflows represent deferred property tax revenue amounts to be recognized as revenue in future years in the governmental funds financial statements.

*Capital Assets*

Capital assets are not capitalized in the governmental funds but, instead, are charged as current expenditures when purchased. The Government-wide financial statements (i.e., the statement of net position and the statement of activities) of the City includes the capital assets and related depreciation, if any, of the Project in which ownership of the capital asset will remain with the City (i.e., infrastructure, or municipal building). All other construction will be expensed in both the government-wide financial statements and the governmental funds as the City nor Project will retain the right of ownership.

CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS  
(Continued)

Note 1 – Summary of Significant Accounting Policies (Concluded)

(f) *Stewardship, Compliance and Accountability*

*Illinois Tax Increment Redevelopment Allocation Act Compliance*

The Project's expenditures include reimbursements for various eligible costs as described in subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act and the Redevelopment Agreement relating specifically to the Project. Eligible costs include but are not limited to survey, property assembly, rehabilitation, public infrastructure, financing and relocation costs.

The maximum reimbursable amount is set forth in each agreement. If the total project cost is lower than the project budget established in the agreement, the reimbursable amount will be prorated.

The semi-annual principal and interest payments are made solely from incremental real property taxes, which are paid in the redevelopment district and other contiguous redevelopment districts needed to fulfill the debt service requirements.

Note 2 – Investments and Fair Value Measurements

The City measures and categorizes its investments using fair value measurement guidelines established by generally accepted accounting principles. At December 31, 2024, all non-pooled investments held by the Project are exclusively short-term money market funds and commercial paper valued at fair value that approximates cost and can be redeemed on a daily basis.

Note 3 – Bonds Payable

In August 2010, the City issued \$18,675,000 of General Obligation Bonds (Modern Schools Across Chicago Program), Series 2010A and B at a premium. Series B bonds (\$8,515,000) are Build America Bonds. The bonds have interest rates ranging from 3.00 percent to 5.364 percent and maturity dates ranging from December 1, 2011, to December 1, 2026. Net proceeds of \$19,800,000 will be used to pay for a portion of the costs for construction, renovation, design and acquisition of elementary and high schools that are part of the school system operated by the Board of Education of the City of Chicago (the "Board"). The bonds fund Phase II of the Modern Schools Across Chicago Program.

As of December 1, 2020, the Modern Schools Across Chicago Program General Obligation Bonds, Series 2010A originally issued at a premium for the 47th St./Ashland Redevelopment Project were fully redeemed (\$2,685,000) early because the balance in the principal and interest account held with the trustee was sufficient to cover the remaining debt service.

CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS  
(Concluded)

Note 3 – Bonds Payable (Concluded)

Long-term liability activity for the year ended December 31, 2024 was as follows:

Beginning balance	\$ 5,510,000
Additions	-
Reductions	<u>(1,740,000)</u>
Ending balance	<u>\$ 3,770,000</u>
Amounts due within one year	<u>\$ 1,800,000</u>

The aggregate maturities of the bonds are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Series B</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 1,800,000	\$ 193,783
2026	<u>1,970,000</u>	<u>101,731</u>
Total	<u>\$ 3,770,000</u>	<u>\$ 295,514</u>

Note 4 – Operating Transfers In

During 2024, in accordance with State statutes, the Project received \$8,666,667 from the contiguous 47th/Halsted Redevelopment Project to fund the United Yards 1A project.

Note 5 – Tax Abatement Agreement

GASB Statement No. 77, Tax Abatement Disclosures (“GASB 77”), requires governments that enter into tax abatement agreements to disclose: (1) brief descriptive information concerning the agreement; (2) the gross dollar amount of taxes abated during the period; and (3) commitments made by government, other than to abate taxes, that are part of the tax abatement agreement.

The City uses tax increment financing to pay for (or reimburse) developers for the costs of the TIF funded improvements pursuant to the terms and conditions of the redevelopment agreement entered into by the City and the developer.

Under the terms of the redevelopment agreements, the City approved a tax abatement impacting this TIF district in 2023. The Project paid the developers \$4,833,333 during the year ended December 31, 2024 and \$390,305 during the year ended December 31, 2023.

Prior year data is included here to ensure full transparency in accordance with TIF reporting requirements.

## SUPPLEMENTARY INFORMATION

CITY OF CHICAGO, ILLINOIS  
47TH/ASHLAND REDEVELOPMENT PROJECT

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

Code Description

Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, marketing	\$ 143,881
Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures	142,425
Costs of the construction of public works or improvements	315,355
Costs of financing, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto	2,021,897
Costs of construction of new housing units for low income and very low income households	<u>4,833,333</u>
	<u>\$ 7,456,891</u>

INDEPENDENT AUDITOR'S REPORT

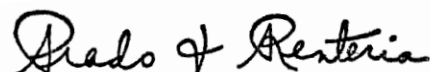
The Honorable Brandon Johnson, Mayor  
Members of the City Council  
City of Chicago, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of 47th/Ashland Redevelopment Project of the City of Chicago, Illinois, which comprise the statement of net position and governmental funds balance sheet as of December 31, 2024, and the related statement of activities and governmental funds revenues, expenditures and changes in fund balance for the year then ended, and the related notes to the financial statements, and we have issued our report thereon dated June 27, 2025.

In connection with our audit, nothing came to our attention that caused us to believe that the Project failed to comply with the regulatory provisions in Subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Allocation Redevelopment Act and Subsection (o) of Section 11-74.6-10 of the Illinois Industrial Jobs Recovery Law as they relate to the eligibility for costs incurred incidental to the implementation of the 47th/Ashland Redevelopment Project of the City of Chicago, Illinois.

However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Project's noncompliance with the above referenced regulatory provisions, insofar as they relate to accounting matters.

This report is intended for the information of the City of Chicago's management. However, this report is a matter of public record, and its distribution is not limited.



June 27, 2025