

Contract Summary Sheet

Contract (PO) Number: 16855

Specification Number: 63381

Name of Contractor: WILLIAM WRIGLEY JR CO

City Department: PLANNING & DEVELOPMENT

Title of Contract: Redevelopment Agreement

Term of Contract: Start Date: 7/10/2003

End Date: 12/21/2020

Dollar Amount of Contract (or maximum compensation if a Term Agreement) (DUR):
\$15,000,000.00

Brief Description of Work: Redevelopment Agreement

Procurement Services Contract Area: COMPTROLLER-OTHER

Vendor Number: 50160024

Submission Date: 1/30/08

The City hereby certifies that \$_____ is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$_____, including the amount of this Certificate and less payments made on the Note.

In Witness Whereof, The City has caused this Certificate to be signed on its behalf as of _____, _____.

City of Chicago

By: _____, Commissioner
Department of Planning
and Development

Authenticated By:

Registrar

DESIGNATION OF WM. WRIGLEY JR. COMPANY AS PROJECT
DEVELOPER AND AUTHORIZATION FOR EXECUTION OF
REDEVELOPMENT AGREEMENT AND ISSUANCE
OF CITY NOTES FOR CONSTRUCTION
OF INNOVATION CENTER AT 1132
WEST BLACKHAWK STREET.

The Committee on Finance submitted the following report:

CHICAGO, February 5, 2003.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the execution of a redevelopment agreement and the issuance of a City of Chicago Tax Increment Allocation Revenue Note for the benefit of Wm. Wrigley Jr. Company, amount of note not to exceed \$15,000,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a *viva VOCE* vote of the members of the Committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Stroger, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Car-others, Wojcik, Suarez, Matlak, Mell, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 50.

Nays - None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on July 10, 1996 and published at pages 24666 through 24750 of the *Journal of the Proceedings of the City Council* (the "*Journal*") of such date, a certain redevelopment plan and project (the "Plan") for the Goose Island Redevelopment Project Area (the "Area") was approved pursuant to the

Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/ 1 1-74.4-1, et seq.) (the "Act"); and

WHEREAS, Pursuant to an ordinance adopted by the City Council on July 10, 1996 and published at pages 2475 1 through 24756 of the *Journal* of such date, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, Pursuant to an ordinance (the "T.I.F. Ordinance") adopted by the City Council on July 10, 1996 and published at pages 24755 and 24757 through 2476 1 of the *Journal* of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain redevelopment project costs (as defined in the Act) ("Redevelopment Project Costs") incurred in the Area pursuant to the Plan; and

WHEREAS, Wm. Wrigley Jr. Company, a Delaware corporation (the "Company"), owns, in fee simple, certain property located within the Area at 1132 West Blackhawk Street, Chicago, Illinois 60622 (the "Property") and proposes to commence and complete construction of an innovation center (the "Project") which shall, at a minimum, include an approximately fifty-nine thousand (59,000) square foot office building (the "First Office Building"), an approximately fifty-eight thousand (58,000) square foot laboratory (the "Laboratory"), and an approximately thirty-three thousand (33,000) square foot research pilot plant (the "Pilot Plant"), and which may, at the Company's option, also include an approximately thirty-one thousand (31,000) square foot addition to the First Office Building ("Addition to the First Office Building"), an approximately seventeen thousand (17,000) square foot addition to the Laboratory ("Addition to the Laboratory"), an approximately twelve thousand (12,000) square foot addition to the Pilot Plant ("Addition to the Pilot Plant"), an approximately ninety thousand (90,000) square foot office building (the "Second Office Building"), and an approximately three hundred (300) car parking structure (the "Parking Facility") (the Addition to the First Office Building, the Addition to the Laboratory, the Addition to the Pilot Plant, the Second Office Building, and the Parking Facility, individually or collectively, the "Optional Construction"); and

WHEREAS, The Project will occur in up to three (3) phases, as follows: the construction of the First Office Building, the Laboratory, the Pilot Plant and any one (1) or more components of the Optional Construction that have been completed by the time of the completion of the First Office Building, the Laboratory and the Pilot Plant constituting "Phase One"; the portion of the Project, if any, consisting of any one (1) or more components of the Optional Construction that are completed by a certain date after Phase One has been completed constituting "Phase Two"; and the portion of the Project, if any, consisting of any one (1) or more components of the Optional Construction that are completed by a certain date after Phase Two has been completed constituting "Phase Three"; and

WHEREAS, The Company proposes to undertake the Project in accordance with the Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Company and the City, including but not limited to the completion of the Project, and the retention and creation of jobs, to be financed in part by the issuance of the notes (defined below); and

WHEREAS, Pursuant to Resolution 02-CDC-78, adopted by the Community Development Commission of the City of Chicago (the "Commission") on August 13, 2002, the Commission authorized the City's Department of Planning and Development ("D.P.D.") to publish notice pursuant to Section 5/ 11-74.4-4(c) of the Act of its intention to negotiate a redevelopment agreement with the Company for the Project and to request alternative proposals for redevelopment of the Property; and

WHEREAS, D.P.D. published the notice, requested alternative proposals for the redevelopment of the Property or a portion thereof and provided reasonable opportunity for other persons to submit alternative bids or proposals; and

WHEREAS, Since no other responsive proposals were received by D.P.D. for the redevelopment of the Property or a portion thereof within fourteen (14) days after such publication, pursuant to Resolution 02-CDC-78, the Commission has recommended that the Company be designated as the developer for the Project and that D.P.D. be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Company for the Project; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Company is hereby designated as the developer for the Project pursuant to Section 5/ 11-74.4-4 of the Act.

SECTION 3. The Commissioner of D.P.D. (the "Commissioner") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a redevelopment agreement between the Company and the City in substantially the form attached hereto as Exhibit A and made a part hereof (the "Redevelopment Agreement"), and such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement.

SECTION 4. The City Council hereby authorizes the City to issue tax increment allocation revenue obligations in an amount not to exceed Fifteen Million Dollars (\$15,000,000) for the purpose of paying a portion of the Redevelopment Project Costs included within the Project.

SECTION 5. There shall be borrowed for and on behalf of the City an amount not to exceed Fifteen Million Dollars (\$15,000,000) for the purpose of paying a portion of the Redevelopment Project Costs included within the Project. A note of the City shall be issued in the principal amount of Nine Million Dollars (\$9,000,000), subject to adjustment by way of increase or reduction as provided in the Redevelopment Agreement, in connection with Phase One. If the Project includes Phase Two, a note of the City shall be issued in the principal amount of Three Million Dollars (\$3,000,000), subject to adjustment by way of increase or reduction as provided in the Redevelopment Agreement, in connection with Phase Two. If the Project includes Phase Three, a note of the City shall be issued in the principal amount of Three Million Dollars (\$3,000,000), subject to adjustment by way of increase or reduction as provided in the Redevelopment Agreement, in connection with Phase Three. Such notes shall hereinafter be referred to individually as a "Note" and collectively as the "Notes". Each Note shall be designated "Tax Increment Allocation Revenue Note (Wm. Wrigley Jr. Company Redevelopment Project), Taxable Series [insert year of issuance] (Phase [One] [Two] [Three])". Each Note shall be dated the date of delivery thereof, and shall also bear the date of authentication, shall be in fully registered form, shall be in the denomination of the outstanding principal amount thereof and shall become due and payable as provided therein.

The Notes shall bear interest at a rate not to exceed eight and six hundred twenty-five thousandths percent (8.625%) per annum, computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months.

The principal of and interest on each Note shall be paid by check or draft of the Comptroller of the City, as registrar and paying agent (the "Registrar"), payable in lawful money of the United States of America to the person(s) in whose name(s) the Note is registered at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment date, unless the City has been directed to make such payment in another manner by written notice given to the Registrar by the registered owner(s) at least thirty (30) days prior to the applicable payment date; provided, that the final installment of the principal and accrued but unpaid interest of the Note shall be payable in lawful money of the United States of America at the principal office of the Registrar or as otherwise directed by the City.

The seal of the City shall be affixed to or a facsimile thereof printed on each Note, and each Note shall be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City, and in case any officer whose signature shall appear on a Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

Each Note shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Registrar, as authenticating agent of the City for the Note; and showing the date of authentication. A Note shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this ordinance unless and until such certificate of authentication shall have been duly executed by the Registrar by manual signature, and such certificate of authentication upon the Note shall be conclusive evidence that the Note has been authenticated and delivered under this ordinance.

SECTION 6. The City shall cause books (the "Register") for the registration and for the transfer of each Note as provided in this ordinance to be kept at the principal office of the Registrar, which is hereby constituted and appointed the registrar of the City for the Notes. The City is authorized to prepare, and the Registrar shall keep custody of, multiple Note blanks executed by the City for use in the transfer of any Note.

Upon surrender for transfer of a Note at the principal office of the Registrar, duly endorsed by, or accompanied by (i) a written instrument or instruments of transfer in form satisfactory to the Registrar, (ii) an investment representation in form satisfactory to the City and duly executed by the registered owner(s) or its(their) attorney(s) duly authorized in writing, and (iii) the written consent of the City evidenced by the signature of the Commissioner (or his or her designee) on the instrument of transfer, the City shall execute and the Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Note of the same maturity, of authorized denomination, for a like aggregate principal amount. The execution by the City of the fully registered Note shall constitute full and due authorization of the Note and the Registrar shall thereby be authorized to authenticate, date and deliver the Note, provided, however, that the principal amount of the Note authenticated by the Registrar shall not exceed the authorized principal amount of the Note less previous retirements. The Registrar shall not be required to transfer or exchange a Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of the Note nor to transfer or exchange a Note after notice calling the Note for redemption has been made, nor during a period of five (5) days next preceding mailing of a notice of redemption of principal of the Note. No beneficial interests in a Note shall be assigned, except in accordance with the procedures for transferring a Note described above.

The entity(ies) in whose name(s) a Note shall be registered shall be deemed and regarded as the absolute owner(s) thereof for all purposes, and payment of the principal of a Note shall be made only to or upon the order of the registered owner(s)

thereof or its(their) legal representative(s). All such payments shall be valid and effectual to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid.

No service charge shall be made for any transfer of a Note, but the City or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of a Note.

SECTION 7. The principal of each Note shall be subject to redemption as provided in the form of Note attached hereto as Exhibit B. As directed by the Commissioner, the Registrar shall proceed with redemptions without further notice or direction from the City.

SECTION 8. The Registrar shall state on the Payment Record attached to each Note the amount of any payment of principal or interest on the Note, including the amount of any redemption, and the amount of any reduction in principal pursuant to the Redevelopment Agreement.

SECTION 9. The Notes shall be prepared in substantially the form attached hereto as Exhibit B.

SECTION 10. The Notes hereby authorized shall be executed and delivered as provided in this ordinance and the Redevelopment Agreement.

SECTION 11. The City hereby assigns, pledges and dedicates to the payment of the principal of and interest, if any, on the Notes, when due, in accordance with, and subject to, the terms and conditions of the Redevelopment Agreement and the Notes, a portion of the Annual Available Excess incremental Taxes (as defined in and determined pursuant to the Redevelopment Agreement). Subject to the terms and conditions of the Notes and the Redevelopment Agreement, a portion of the Annual Available Excess Incremental Taxes shall be used to pay the principal of and interest on the Notes, from time to time, at maturity or upon payment or redemption prior to maturity, which payments are hereby authorized and appropriated by the City. Upon payment of all amounts due under the Notes in accordance with the terms and conditions of the Notes and the Redevelopment Agreement, the City's assignment, pledge and dedication of such portion of the Annual Available Excess Incremental Taxes shall terminate and neither the Company nor the registered owner(s) of the Notes shall have any right, title, interest or claim whatsoever in such portion of the Annual Available Excess Incremental Taxes.

SECTION 12. The Notes are special limited obligations of the City, and are payable solely from a portion of the Annual Available Excess Incremental Taxes pursuant to the Redevelopment Agreement (or such other funds as the City, in its sole discretion, may determine), and shall be valid claims of the registered owner(s)

thereof only against said sources. None of the Notes shall be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any constitutional or statutory provision. The registered owner(s) of the Notes shall not have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of or interest on the Notes.

SECTION 13. Annual Available Excess Incremental Taxes may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago. Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on any of the respective Notes.

SECTION 14. The Registrar shall maintain a list of the name and address of the registered owner(s) from time to time of each Note and upon any transfer shall add the name(s) and address(es) of the new registered owner(s) and eliminate the name(s) and address(es) of the transferor(s).

SECTION 15. The provisions of this ordinance shall constitute a contract between the City and the registered owner(s) of each Note. All covenants relating to each Note are enforceable by the registered owner(s) of the Note.

SECTION 16. The Mayor, the Comptroller, the City Clerk, the Commissioner (or his or her designee) and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this ordinance.

SECTION 17. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 18. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 19. This ordinance shall be in full force and effect immediately upon its passage.

Exhibits "A" and "B" referred to in this ordinance read as follows:

WM. WRIGLEY JR. COMPANY REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

WM. WRIGLEY JR. COMPANY

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Exhibit B	Legal Description of Property
Exhibit C	TIF-Funded Improvements
Exhibit D*	Redevelopment Plan
Exhibit E*	Construction Contract
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Exhibit H-1	Project Budget
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Exhibit I*	Approved Prior Expenditures
Exhibit J	Opinion of Developer's Counsel
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Exhibit P	Form of Payment and Performance Bond
Exhibit Q	Sample Flow of Funds Worksheet
Exhibit R	Form of Phase Commencement Letter
Exhibit S	Form of Covenant to Develop
Exhibit T	Form of Completion Certificate

* indicates that the exhibit will not be included in the ordinance packet

WM. WRIGLEY JR. COMPANY REDEVELOPMENT AGREEMENT

This Wm. Wrigley Jr. Company Redevelopment Agreement (this "Agreement") is made as of this 10th day of July, 2003 by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Wm. Wrigley Jr. Company, a Delaware corporation (the "Developer").

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.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "the City Council") adopted the following ordinances on July 10, 1996: (a) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Goose Island Redevelopment Project Area"; (b) "An Ordinance of the City of Chicago, Illinois Designating the Goose Island Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (c) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Goose Island Redevelopment Project Area" (the "TIF Adoption Ordinance") (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: The Developer has purchased that certain real property located within the Redevelopment Area at 1132 West Blackhawk Street, Chicago, Illinois 60622 and legally described on Exhibit B hereto (the "Property"). Within the time frames set forth in Section 3.01 hereof, the Developer shall commence and complete construction of an Innovation Center encompassing a minimum of 150,000 square feet of space and consisting of the following: an approximately 59,000 square foot office building (the "First Office Building"), an approximately 58,000 square foot laboratory (the "Laboratory") and an approximately 33,000 square foot research pilot plant (the "Pilot Plant") (collectively, the "Facility"). The Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined

below and set forth on Exhibit C) are collectively referred to herein as the "Project." The Innovation Center will allow the Developer to achieve the goals of encouraging collaboration between cross-functional teams working together from concept to execution; offering flexible/adaptable spaces to accommodate growth and change; providing appropriate amenities to support recruitment and retention; and otherwise creating an environment where innovation can flourish. The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

The Developer may, but is not required to, construct additional buildings and structures on the Property, which additions may consist of the following: an approximately 31,000 square foot addition to the First Office Building ("Addition to the First Office Building"); an approximately 17,000 square foot addition to the Laboratory ("Addition to the Laboratory"); an approximately 12,000 square foot addition to the Pilot Plant ("Addition to the Pilot Plant"); an approximately 90,000 square foot office building (the "Second Office Building"); and an approximately 300 car parking structure (the "Parking Facility") (the Addition to the First Office Building, the Addition to the Laboratory, the Addition to the Pilot Plant, the Second Office Building, and the Parking Facility, individually or collectively, the "Optional Construction"). For purposes of this Agreement, the Parking Facility shall be deemed to consist of zero square feet. If the Developer commits to the City to construct or commences construction of any one or more components of the Optional Construction, then each such component will automatically become a part of the Facility and the Project without further action of the Developer or the City.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Goose Island Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the "Redevelopment Plan") attached hereto as Exhibit D, as amended from time to time.

F. Prior TIF Bond Financing: On March 9, 2000, the City issued the Goose Island TIF Bonds (as hereinafter defined) in an aggregate principal amount of \$16,800,000, pursuant to the terms of the Bond Indenture (as hereinafter defined). The Goose Island TIF Bonds are secured by a first lien on (a) Pledged Revenues (as hereinafter defined); (b) all moneys and securities and earnings thereon in certain funds, accounts and sub-accounts established pursuant to the Bond Indenture; and (c) any and all other moneys, securities and property furnished from time to time to the Bond Trustee (as hereinafter defined) by the City or on behalf of the City or by any other persons to be held by the Bond Trustee under the terms of the Bond Indenture (collectively, the "Pledged Security"). The City reserved and excluded from the Pledged Security approximately \$250,000, which was on deposit in the Goose Island TIF Fund (as hereinafter defined) on the date on which the Goose Island TIF Bonds were issued (the "Excluded Security"). The Excluded Security was heretofore designated for certain Redevelopment Project Costs. Under the terms of the Bond Indenture, payment of principal of, premium, if any, and interest on, the Goose Island TIF Bonds will be made solely from Pledged Security after payment of (i) Program Expenses (as defined in the Bond Indenture) and (ii) any monies necessary to preserve the tax-exempt interest on applicable Goose Island TIF Bonds in accordance with

requirements of Section 148 of the Code (as hereinafter defined). The Developer acknowledges the issuance of the first series of Goose Island TIF Bonds on March 9, 2000, and that the Developer has no claim on any Excluded Security or Pledged Security except for monies which are deposited into the General Account (as hereinafter defined) of the Goose Island TIF Fund and which have not been designated for any other purpose under Section 502(d) of the Bond Indenture, and further subject to the conditions, limitations, requirements, terms and conditions of this Agreement. The Developer further acknowledges that, pursuant to the Bond Indenture, the City, from time to time in the future, may issue Additional Bonds, Refunding Bonds or Junior Lien Obligations (as those terms are defined in the Bond Indenture, and collectively referred to herein as the "Senior Lien Obligations") and if and when issued, payment of principal of, premium, if any, and interest on the Senior Lien Obligations would have a prior lien on the Pledged Security over any obligation created under this Agreement. The City agrees that it shall not issue any Senior Lien Obligations unless, in connection therewith, the City Notes (as hereinafter defined) are paid in full.

G. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, Annual Available Excess Incremental Taxes (as hereinafter defined) to reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and the City Notes.

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

"Act" shall have the meaning set forth in Recital B hereof.

"Additional Bonds" shall mean Additional Bonds as defined in the Bond Indenture.

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

"Annual Available Excess Incremental Taxes" shall mean the total Excess Incremental Taxes that are available as of June 30 in any given calendar year under the Bond Indenture, less the sum of the amounts of the following obligations arising during the same calendar year: (i) the City Administration Fee; (ii) the City Public Improvements Obligation Fee; (iii) the Republic Windows Obligation; and (iv) the Riverworks Obligation.

"Annual Project-Generated Increment" shall mean so much of the Annual Available Excess Incremental Taxes, if any, that equals 95% of the positive difference, determined as of June 30, between: (i) the sum of the first estimated installment paid in the current year and the second installment paid in the prior year of ad valorem taxes on the Property for each year in which there is a principal balance on any City Note, and (ii) Base Project Taxes.

"Base Project Taxes" shall mean, for any calendar year in which a City Note is outstanding, an amount equal to the initial equalized assessed value of the Property as certified by Cook County as a result of the TIF Adoption Ordinance (as the same may be adjusted by Cook County) (which amount currently equals \$952,125) times the most current available combined tax rates of the taxing districts levying ad valorem real estate taxes on the Property determined as of June 30 of that year (e.g. if a payment becomes due on a City Note on September 1, 2004 and as of June 30, 2004 the most recent known tax rate is that determined for levy year 2002 for taxes payable in 2003, such 2002 tax rate would apply).

"Bond Indenture" shall mean that certain Trust Indenture dated as of March 1, 2000, from the City to the Bond Trustee, pursuant to which the City has issued the Goose Island TIF Bonds and is authorized to issue the Senior Lien Obligations, subject to the terms herein, and may include any supplemental indenture entered into between the City and the Bond Trustee in connection with the issuance of any Senior Lien Obligations.

"Bond Trustee" shall mean Cole Taylor Bank, as trustee under the Bond Indenture, and any successor in interest appointed in accordance with the Bond Indenture.

"Certificate" shall mean a Completion Certificate.

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

"City Administration Fee" shall mean an annual amount of \$25,000 until and including the calendar year in which the Republic Windows Obligation and the Riverworks Obligation shall have been both fully discharged, and shall mean an annual amount equal to five percent of annual Incremental Taxes thereafter, being the amount the City may allocate from Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project (and the City shall have the right to receive such funds prior to any payment of City Funds hereunder).

"City Funds" shall have the meaning set forth in Section 4.03 hereof.

"City Notes" shall mean, depending on the context, any one or combination of the Phase One Note, the Phase Two Note or the Phase Three Note.

"City Public Improvements Obligation Fee" shall mean the annual payment related to the City's obligation to reimburse the City up to an aggregate amount of \$2,000,000 for the costs of certain public improvements within the Redevelopment Area which were paid for with City funds from sources other than Incremental Taxes with the understanding that the City would be reimbursed from Excess Incremental Taxes. Subject to the right of the City to elect to defer any payment, the reimbursement will be made pursuant to the following schedule, and any deficiency in payment caused by the City's election to defer for a lack of sufficient Excess Incremental Taxes will be paid in subsequent years as Excess Incremental Taxes are available (or as the City may otherwise determine): Year 2002 - \$300,000; Year 2003 - \$350,000; Year 2004 - \$400,000; Year 2005 - \$450,000; and Year 2006 - \$500,000. The City may elect to defer all or any portion of such payments without being deemed to have waived the right to such payment.

"Closing Date" shall mean the date hereof.

"Completion Certificate" shall mean any certificate of completion that the City may issue with respect to the Project pursuant to Section 7.01 hereof.

"Construction Contract" shall mean the certain contract or contracts for each Phase, which for Phase One shall be substantially in the form attached hereto as Exhibit E, to be entered into between the Developer and the General Contractor providing for construction of the Project.

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

"Deferred Payment Amount" shall have the meaning set forth in Section 4.03(d) herein.

"Deferred Payment Ledger" shall have the meaning set forth in Section 4.03(d) herein.

"Employer(s)" shall have the meaning set forth in Section 10 hereof.

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

"Equity" shall mean funds of the Developer (other than funds derived from Lender Financing) irrevocably available for the Project, which amount may be increased pursuant to Section 4.06 (Cost Overruns) or Section 4.03(b).

"Event of Default" shall have the meaning set forth in Section 15 hereof.

"Excess Incremental Taxes" shall mean Incremental Taxes which are received and that have been deposited into the General Account of the Goose Island TIF Fund as of June 30 of a calendar year and which are available for the financing or payment of Redevelopment Project Costs under Section 502(d) of the Bond Indenture.

"Excluded Security" shall have the meaning set forth in Recital F hereof.

"Facility" shall have the meaning set forth in Recital D hereof.

"Final Completion Certificate" shall mean the declaration by the City, pursuant to Section 3.01 hereof, that a particular Certificate is the final one the City will issue.

"Financial Statements" shall mean complete audited financial statements of the 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" shall mean an employee or employees working for the Developer on the Property who works, individually or in aggregate, an average of 37.5 hours per week (taking into account personal days and permitted vacations) during a given calendar year.

"General Account" shall mean General Account as defined in the Bond Indenture.

"General Contractor" shall mean the general contractor(s) hired by the Developer pursuant to Section 6.01.

"Goose Island TIF Bonds" shall mean the \$16,800,000 aggregate principal amount of Tax Increment Allocation Bonds (Goose Island Redevelopment Project) issued by the City on March 9, 2000, pursuant to the Bond Indenture.

"Goose Island TIF Fund" shall mean the special tax allocation fund created by the City pursuant to the TIF Adoption Ordinance in connection with the Redevelopment Area into which the Incremental Taxes will be deposited for the payment of Redevelopment Project Costs and obligations incurred in the payment thereof.

"Hazardous Materials" shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

"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 Goose Island TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"Junior Lien Obligations" shall mean Junior Lien Obligations as defined in the Bond Indenture.

"Lender Financing" shall mean funds borrowed by the Developer from lenders and irrevocably available to pay for costs of the Project.

"Major Contractor" shall mean any general contractor or subcontractor having a contract with Developer of \$1,000,000 or greater in connection with the Project.

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

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit H-2, as described in Section 10.03.

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

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

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

"Phase Commencement Letter" shall mean that letter from DPD to the Developer indicating that the Developer has fully complied with all of the conditions of Section 5A.01 herein that apply to the proposed Phase and that the City has recorded a covenant against the Property as set forth in Sections 5A.02 and 8.02 hereof.

"Phase One" shall mean that portion of the Project consisting of the First Office Building, the Laboratory and the Pilot Plant.

“Phase Three” shall mean that portion of the Project, if any, consisting of any one or more components of the Optional Construction that are constructed simultaneously but later than Phase Two.

“Phase Two” shall mean that portion of the Project, if any, consisting of any one or more components of the Optional Construction that are constructed simultaneously but later than Phase One.

“Phase One Completion Date” shall mean the date on which the City issues a Completion Certificate with respect to Phase One.

“Phase Three Completion Date” shall mean the date on which the City issues a Completion Certificate with respect to Phase Three.

“Phase Two Completion Date” shall mean the date on which the City issues a Completion Certificate with respect to Phase Two.

“Phase One Note” shall mean the City of Chicago Tax Increment Allocation Revenue Note, Goose Island Redevelopment Project Area (Wm. Wrigley Jr. Company Redevelopment Project), Taxable Series _____ [will be dated the year of issuance], to be in the form attached hereto as Exhibit M-1, in the face amount, and evidencing up to a maximum principal amount, of \$9,000,000, subject to adjustment by way of increase or reduction in accordance with the provisions of Section 4.03(c) and other applicable provisions of this Agreement, issued by the City to the Developer on the Phase One Completion Date. The Phase One Note shall bear interest at an annual rate of eight and five-eighths percent (8.625%), and shall provide for accrued, but unpaid, interest to bear interest at the same fixed rate of interest per annum set forth in the Phase One Note.

“Phase Three Note” shall mean the City of Chicago Tax Increment Allocation Revenue Note, Goose Island Redevelopment Project Area (Wm. Wrigley Jr. Company Redevelopment Project), Taxable Series _____ [will be dated the year of issuance], to be in the form attached hereto as Exhibit M-3, in the face amount, and evidencing up to a maximum principal amount, of \$3,000,000, subject to adjustment by way of increase or reduction in accordance with the provisions of Section 4.03(c) and other applicable provisions of this Agreement, issued by the City to the Developer on the Phase Three Completion Date. The Phase Three Note shall bear interest at an annual rate of eight and five-eighths percent (8.625%) and shall provide for accrued, but unpaid, interest to bear interest at the same fixed rate of interest per annum set forth in the Phase Three Note. If the Phase Three Note is issued, no payments will be due thereunder until the Phase One Note and the Phase Two Note have been fully paid.

“Phase Two Note” shall mean the City of Chicago Tax Increment Allocation Revenue Note, Goose Island Redevelopment Project Area (Wm. Wrigley Jr. Company Redevelopment Project), Taxable Series _____ [will be dated the year of issuance], to be in the form attached

hereto as Exhibit M-2, in the face amount, and evidencing up to a maximum principal amount, of \$3,000,000, subject to adjustment by way of increase or reduction in accordance with the provisions of Section 4.03(c) and other applicable provisions of this Agreement, issued by the City to the Developer on the Phase Two Completion Date. The Phase Two Note shall bear interest at an annual rate of eight and five-eighths percent (8.625%) and shall provide for accrued, but unpaid, interest to bear interest at the same fixed rate of interest per annum set forth in the Phase Two Note. If the Phase Two Note is issued, no payments will be due thereunder until the Phase One Note has been fully paid.

"Planned Development" shall mean the planned development zoning pursuant to the ordinance entitled "Waterway-Manufacturing Planned Development No. 847," enacted by the City Council on October 2, 2002 and set forth on pages 94832 to 94846, inclusive, in the Journal of the Proceedings of the City Council of the City of Chicago of the same date.

"Plans and Specifications" shall mean the final construction documents containing a site plan and working drawings and specifications for each Phase of the Project, as submitted to the City as the basis for obtaining building permits for each Phase of the Project.

"Pledged Revenues" shall mean Incremental Taxes collected in 1999 and thereafter and any other revenues from any source whatsoever designated to pay principal of, premium, if any, or interest on the Senior Lien Obligations, including, without limitation, amounts on deposit in and pledged to various funds and accounts (other than the Program Expenses Account, the Rebate Account and the Excluded Security) as provided in the Bond Indenture, together with interest earnings thereon.

"Pledged Security" shall have the meaning set forth in Recital F hereof.

"Prior Expenditure(s)" shall have the meaning set forth in Section 4.05(a) hereof.

"Program Expenses" shall mean Program Expenses as defined in the Bond Indenture.

"Program Expenses Account" shall mean the Program Expenses Account as created pursuant to and defined in the Bond Indenture.

"Project" shall have the meaning set forth in Recital D hereof.

"Project Budget" shall mean the budget attached hereto as Exhibit H-1, showing the total cost of Phase One of the Project by line item, furnished by the Developer to DPD in accordance with Section 3.03 hereof, and shall also mean that budget for each other Phase, if any, furnished by the Developer to, and approved by, DPD in accordance with Section 5A.01 hereof.

"Property" shall have the meaning set forth in Recital D hereof.

"Redevelopment Area" shall have the meaning set forth in Recital C hereof.

"Redevelopment Plan" shall have the meaning set forth in Recital E hereof.

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

"Refunding Bonds" shall mean Refunding Bonds as defined in the Bond Indenture.

"Republic Windows Obligation" shall mean any amount then needed to pay the note or notes as set forth in that agreement entered into on April 23, 1999 between the City and Republic Windows and Doors, Inc. under which certain Incremental Taxes are to be paid by the City on the principal and interest, if any, arising under a note or notes heretofore issued to Republic Windows and Doors, Inc.

"Required Jobs" shall have the meaning set forth in Section 8.06 hereof.

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

"Riverworks Obligation" shall mean any amount then needed to pay the note or notes as set forth in that agreement entered into on July 7, 2000 between the City and Riverworks, L.L.C. under which certain Incremental Taxes are to be paid by the City on the principal and interest, if any, arising under a note or notes heretofore issued to Riverworks, L.L.C.

"Scope Drawings" shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for Phase One of the Project, and shall also mean those preliminary construction documents containing a site plan and preliminary drawings and specifications for each other Phase, if any, furnished by the Developer to DPD in accordance with Section 5A.01 hereof..

"Senior Lien Obligations" shall have the meaning set forth in Recital F of this Agreement.

"Survey" shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the later of: (a) any date to which DPD and the Developer have agreed in writing; or (b) December 31, 2020, the date on which the Redevelopment Area is no longer in effect.

"TIF Adoption Ordinance" shall have the meaning set forth in the Recitals hereof.

"TIF-Funded Improvements" shall mean those costs and improvements of or with respect to 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 C lists the TIF-Funded Improvements for the Project.

"TIF Ordinances" shall have the meaning set forth in the Recitals hereof.

"Title Company" shall mean Near North National Title Company.

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

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

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

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence construction of Phase One no later than December 31, 2003 after having obtained a Phase Commencement Letter from the City; and (ii) complete construction of Phase One and conduct business operations thereon no later than December 31, 2004. If item (ii) above has been met by the Developer but no Optional Construction has commenced on the Property by December 31, 2005, then the City may declare the Project to be complete and may declare the Completion Certificate issued in connection with Phase One to be the Final Completion Certificate.

If, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof, and after having obtained another Phase Commencement Letter from the City, the Developer commences one or more components of Optional Construction by December 31,

2005, then (i) the City shall declare those components to be Phase Two and (ii) the Developer shall complete construction of Phase Two and conduct business operations thereon no later than December 31, 2006. If item (ii) above has been met by the Developer but no additional components of the Optional Construction has commenced on the Property by December 31, 2007, then the City may declare the Project to be complete and may declare the Completion Certificate issued in connection with Phase Two to be the Final Completion Certificate.

If, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof, and after having obtained another Phase Commencement Letter from the City, the Developer commences one or more components of Optional Construction that are not part of Phase Two by December 31, 2007, then (i) the City shall declare those components to be Phase Three and (ii) the Developer shall complete construction of Phase Three and conduct business operations thereon no later than December 31, 2008.

3.02 Scope Drawings. The Developer has delivered the Scope Drawings for the Phase One facilities to DPD and DPD has approved same. Before each subsequent Phase, if any, is to proceed, there shall be submitted to, and approved by, DPD the Scope Drawings for such Phase.

After such initial approval, the Developer shall submit to DPD and obtain DPD's prior approval to any proposed changes to the Scope Drawings or Plans and Specifications that: (i) reduce the square footage of the Phase by more than five percent; (ii) increase the budget of the Phase by more than 10%, provided that DPD's approval shall be deemed given if DPD has not questioned the Developer regarding such increase within 20 business days after DPD first receives notice of the increase request; or (iii) change the use of or significantly reduce the use or the square footage of use of the amount of the Project as set forth in Recital D hereof.

The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan, the Planned Development and all applicable federal, state and local laws, ordinances and regulations. The 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. DPD will work with Developer to timely process all required permits and approvals from other City departments.

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for Phase One of the Project in an aggregate amount not less than \$46,300,000. The Developer hereby certifies to the City that (a) it has Equity and/or Lender Financing in an amount sufficient to pay for Phase One and will have sufficient Equity and/or Lender Financing for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. If Developer commits to construct any component of the Optional Construction, then Developer covenants to furnish to DPD for DPD's prior approval a Project Budget for the Phase of the Project represented by that Optional Construction, and covenants to certify to the City at that time that (a) it has Equity and/or Lender Financing in an amount

sufficient to pay for that Phase and will have sufficient Equity and/or Lender Financing for all other Project costs; and (b) the Project Budget for that Phase is true, correct and complete in all material respects.

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

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

3.06 Progress Reports and Survey Updates. The Developer shall provide DPD with written (i) quarterly progress reports detailing the status of the Project, including a revised completion date, if necessary, commencing thirty days after the end of the calendar quarter in which this Agreement is executed, and thirty days after the end of each subsequent calendar quarter through and including the date of the Completion Certificate for Phase One, and thirty days after the end of each calendar quarter in which Phase Two or Phase Three activity occurs, if any, and (ii) monthly reports on the Developer's compliance with the City's MBE/WBE utilization, prevailing wage, and City residency requirements as set forth in this Agreement. The Developer shall provide three (3) copies of an up-to-date ALTA/ASTM Survey of the Property to DPD upon: (i) the Closing Date, and (ii) the issuance of each Completion Certificate.

3.07 Inspecting Agent or Architect. An independent agent or architect (other than the Developer's architect) mutually agreed to by DPD and the Developer shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect shall perform monthly inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Project hereunder.

3.08 Barricades. Prior to commencing any construction requiring barricades, the 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.

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

3.10 Utility Connections. The 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 the Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related thereto.

3.11 Permit Fees. In connection with the Project, the 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.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of Phase One of the Project is estimated to be \$46,300,000, to be applied in the manner set forth in the Project Budget. Such costs shall be funded solely from Equity and/or Lender Financing. If Developer commits to construct or commences construction of any one or more components of the Optional Construction, then Developer shall inform DPD of the amended cost of the Project and shall provide DPD an amended Project Budget therefor, subject to the approval of DPD, and covenants that all such costs shall be funded solely from Equity and/or Lender Financing. The cost of the Project if all of Phases One, Two and Three are constructed is estimated to be \$84,330,000.

4.02 Developer Funds. Equity 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 (as defined below) may only be used to pay directly or reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for Phase One of the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(d)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost. If Developer commits to construct or commences construction of any one or more components of the Optional

Construction, then Developer shall promptly provide DPD a proposed revision to Exhibit C; said proposed revision shall be deemed to be an amendment to Exhibit C upon DPD's approval thereof. City Funds shall not be paid to the Developer hereunder prior to the issuance of a Certificate.

(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 hereof, the City hereby agrees to issue not to exceed three City Notes to the Developer. A City Note shall be issued simultaneously with the issuance by the City of a Certificate pursuant to Section 7 hereof. The principal amount of each City Note issued shall not exceed the costs of the TIF-Funded Improvements that have been incurred by the Developer in connection with the corresponding Certificate, all as supported by approved certificate(s) of expenditure as required by such City Note.

Subject to the terms and conditions of this Agreement, the City shall provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay principal of and interest on the issued City Notes to reimburse the Developer:

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Annual Available Excess Incremental Taxes	the lesser of (i) \$15,000,000, (ii) 17.8% of the actual total Project costs, or (iii) 100% of TIF-Funded Improvements, plus interest that accrues on the City Notes

(c) Amount of Principal of Each City Note; Interest Thereon. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City shall set the principal balance of each City Note at its issuance as indicated on the following schedule:

<u>City Note:</u>	<u>Maximum Amount:</u>
Phase One Note	the lesser of (i) \$9,000,000 or (ii) 100% of TIF-Funded Improvements incurred in connection with Phase One
Phase Two Note	the lesser of (i) \$3,000,000 or (ii) the sum of 100% of TIF-Funded Improvements incurred in connection with Phase Two and any TIF-Funded Improvements incurred in connection with Phase One that exceed the issuance value of the Phase One Note

Phase Three Note

the lesser of (i) the difference between \$15,000,000 and the sum of the issuance values of the Phase One and Phase Two Notes, (ii) the sum of 100% of TIF-Funded Improvements incurred in connection with Phase Three and any TIF-Funded Improvements incurred in connection with Phase One or Phase Two that were not taken into account for the issuance of the Phase Two Note, or (iii) that portion of 17.8% of the actual total Project costs incurred that remains after subtracting out the issuance value of the Phase One and Phase Two Notes

provided, however, that if the Developer completes one or more components of the Optional Construction in conjunction with its completion of Phase One, then the principal amount of the Phase One Note shall be adjusted upward in the following manner: (a) for the first 60,000 square feet of said Optional Construction, that portion of \$3,000,000 which equals the ratio of the square footage of the completed portion of said Optional Construction to 60,000, and (b) for the next 90,000 square feet of said Optional Construction, that portion of \$3,000,000 which equals the ratio of the square footage of the completed portion of said Optional Construction to 90,000; provided that the increased principal amount does not exceed the lesser of 17.8% of the actual total Project costs incurred in connection with that portion of the Project or 100% of the TIF-Funded Improvements incurred in connection with that portion of the Project;

(Example 1: if the Developer completes the Addition to the First Office Building (31,000 square feet) at the same time that all of Phase One (e.g., the First Office Building, Laboratory and Pilot Plant) is completed, then the principal amount of the Phase One Note will be increased by \$1,550,100, which is 31/60ths (51.67%) of \$3,000,000.)

(Example 2: if the Developer completes the Addition to the First Office Building (31,000 square feet) and the entire Second Office Building (90,000 Square feet) (thus totaling 121,000 square feet) at the same time that all of Phase One (e.g., the First Office Building, Laboratory and Pilot Plant) is completed, then the principal amount of the Phase One Note will be increased by \$5,033,333, which is 60/60ths (100%) of the first additional \$3,000,000 and 61/90ths (67.78%) of the second additional \$3,000,000.)

provided, however, that if the Developer completes one or more components of the Optional Construction in conjunction with its completion of Phase Two, then the principal amount of the Phase Two Note shall be adjusted upward in a manner that takes into account the ratios set forth in the prior proviso, provided that the increased principal amount does not exceed the lesser of 17.8% of the actual total Project costs incurred in connection with that portion of the Project or 100% of the TIF-Funded Improvements incurred in connection with that portion of the Project; and

provided, however, that adjustments shall be made to the amounts evidenced by the City Notes if the City determines that material changes have occurred from the assumptions agreed upon regarding such things as the size and scope of each Phase of the Project, the time frames for completion of such Phases and the amount of actual taxes generated by the Project that have a direct bearing on the amount of TIF-Funded Improvements and/or projected Incremental Taxes directly related to the Property.

Prior to the issuance of a Final Completion Certificate, or upon the City determining that it is not obligated to issue any additional City Note because of the Developer's failed performance or uncured default under this Agreement, the City shall review with the Developer its determination as to the expected reductions in the Incremental Taxes related to the Property and the reductions, if any, that are to be made to the City Notes.

Interest on the outstanding and unpaid principal of each City Note shall accrue at the rate of 8.625% per annum based on a 360 day year (as set forth in such City Note). Any interest that has accrued under one or more City Notes and remains unpaid following a scheduled payment date shall accrue interest per annum at the scheduled interest rate, but such interest on interest shall not be deemed to increase the principal of any City Note.

If the City mistakenly or otherwise issues a City Note that exceeds the City's maximum issuance obligation under this Section 4.03(c), the City shall have the right to take such actions as may be necessary to correct such mistake or to adjust the obligation, including, without limitation, recomputing, reducing and recovering any interest payments previously made under the erroneous or unadjusted City Note, and issuing a corrected or adjusted City Note and canceling or withdrawing the erroneous or previously unadjusted City Note.

(d) Payments on City Notes; Deferred Payments. Except when there are unpaid Deferred Payment Amounts (as defined below), on each payment date the City agrees to pay on the issued City Notes in the order such payments become due an amount of Annual Available Excess Incremental Taxes equal to the Annual Project-Generated Increment for that year, if any, until the City Notes are fully paid, subject to the terms, conditions and limitations with respect thereto contained in the City Notes and in this Agreement. In lieu of a set debt service schedule, each City Note shall be paid as provided for herein.

Payments on the City Notes (made pursuant to the Requisition Form(s)), if any, shall be made once annually by the City on the later of: (i) two months after the date on which a properly completed Requisition Form is submitted to the City, or (ii) September 1. Payments on each City Note shall first be applied to unpaid interest, if any, then to current interest, if any, and then to principal. Payments on the City Notes, if any, shall be made in the following order: (i) on the Phase One Note until fully paid, then (ii) on the Phase Two Note, if issued, until fully paid, and then (iii) on the Phase Three Note, if issued, until fully paid.

Developer acknowledges that, to the extent that the Republic Windows Obligation and

the Riverworks Obligation have not been fully discharged, no Annual Available Excess Incremental Taxes shall be paid on any City Note. Any portion of Annual Project-Generated Increment that cannot be paid on a City Note shall be deemed a "Deferred Payment Amount" under such City Note and added to a "Deferred Payment Ledger" to be kept by the City. The City shall submit the proposed Deferred Payment Ledger to the Developer each year as entries are made thereon and will address any inquiries Developer has about the proposed entries. Outstanding Deferred Payment Amounts shall be deemed to earn interest at the rate of 8.625% per annum based on a 360-day year, compounded annually, and such earned interest shall also be added to the Deferred Payment Ledger with respect to such City Note. It is intended that each City Note will also contain an attached payment record on which will be noted annually when payments thereunder are payable or otherwise accrue, the application of any payments and the balance of principal and Deferred Payments Amounts thereunder.

If there is an unpaid Deferred Payment Amount on a City Note under which payment is then due, then on each payment date the City agrees to pay on the issued City Note all Annual Available Excess Incremental Taxes, if any (in lieu of that portion of the Annual Available Excess Incremental Taxes that equals the Annual Project-Generated Increment). The amount of any City Note payments made with Annual Available Excess Incremental Taxes shall be subtracted from the outstanding Deferred Payment Amounts listed on the Deferred Payment Ledger. The pledge of all Available Annual Excess Incremental Taxes shall end when there are no unpaid Deferred Payment Amounts under any of the City Notes.

The flow of City Funds set forth in this Section 4.03(d) is demonstrated, using hypothetical numbers, on the Sample Flow of Funds Worksheet attached hereto as Exhibit Q.

(e) Prepayment. In its sole discretion, the City may pre-pay, in whole or in part, the City Notes at any time, but in the sequence and priority in which they become payable, using any Annual Available Excess Incremental Taxes or other monies available to the City, subject to the requirements of the Senior Lien Obligations.

(f) Unavailability of City Funds. The City is not obligated to pay principal of or interest on the City Notes in any year in which there are no City Funds. If, at the end of the Term of the Agreement, any outstanding unpaid principal amount of and/or interest on the City Notes exists (the "Outstanding Amount"), the Outstanding Amount shall be forgiven in full by the Developer, and the City shall have no obligation to pay the Outstanding Amount after the end of the Term of the Agreement.

4.04 Requisition Form. After the Closing Date hereof and throughout the earlier of (i) the Term of the Agreement or (ii) the date that the City Notes have been paid in full under this Agreement, the Developer shall provide DPD with a Requisition Form, along with the documentation described therein, in order to request payments under the City Note. Such Requisition Form(s) shall contain as part thereof certifications as to employment levels of Full-Time Equivalent employees, continuing operations and compliance generally with this

Agreement. Requisition Forms shall not be submitted more than once per calendar year (or as otherwise permitted by DPD). The Developer shall meet with DPD at the request of DPD to discuss any Requisition Form(s) delivered to DPD.

4.05 Treatment of Prior Expenditures.

(a) **Prior Expenditures.** Only those expenditures made by the Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). DPD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit I hereto sets forth the prior expenditures approved by DPD as of the Closing Date as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to Section 4.01 hereof.

(b) **Allocation Among Line Items.** The Developer may allocate or transfer its disbursements for expenditures related to TIF-Funded Improvements among other TIF-Funded Improvements.

4.06 Cost Overruns. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to Section 4.03 hereof, or if the cost of completing the Project exceeds the Project Budget, the Developer 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 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed as provided in Section 4.03 hereof.

SECTION 5. CONDITIONS PRECEDENT TO CLOSING

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date:

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

5.02 Scope Drawings. The Developer has submitted to DPD, and DPD has approved, the Scope Drawings for Phase One in accordance with the provisions of Section 3.02 hereof.

5.03 Other Governmental Approvals. The Developer has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation (except for those referenced in Section 5A hereof), if any, and has submitted evidence thereof to DPD.

5.04 Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and/or Lender Financing in the amounts set forth in Section 4.01 hereof to complete Phase One of the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity set forth in Sections 3.03 and 4.01) to complete the Project. If any portion of the construction of the Project is funded with Lender Financing, the Developer has delivered to DPD a copy of the construction escrow agreement entered into by the Developer regarding the Lender Financing. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

5.05 Acquisition and Title. On the Closing Date, the Developer has furnished the City with a copy of the Special Warranty Deed for the Property as recorded with the Office of the Recorder of Deeds of Cook County, showing the Developer as owner of the Property, and a copy of an Owner's Title Policy for the Property, certified by the Title Company, showing the Developer; or its nominee, as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit G hereto. 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. The Developer has provided to DPD, on or prior to 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 thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches under the Developer's name as follows:

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

Clerk of Circuit Court,
Cook County

Pending suits and judgments

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

5.07 Surveys. The Developer has furnished the City with three (3) copies of the Survey.

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

5.09 Opinion of the Developer's Counsel. On the Closing Date, the Developer shall furnish the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions shall be obtained by the Developer from its general corporate counsel.

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

5.11 Financial Statements. The Developer has provided Financial Statements to DPD for its most recent three completed fiscal years, and audited or unaudited interim financial statements (such as 10-Qs) for its current fiscal year.

5.12 Documentation. The Developer has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters on the Project, the MBE/WBE utilization plan for the Project, and a progress report containing all current information, if any, requested under Section 8.07 herein.

5.13 Environmental. The City acknowledges that the Developer has provided DPD with copies, acceptable to the City, of (a) all Phase I and Phase II environmental audits completed with respect to the Property, (b) the site investigation report, remediation objectives report, and remedial action plan prepared with respect to the Property in connection with the enrollment of the Property in the State of Illinois Site Remediation program, and (c) a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles or Certificate of Incorporation containing the original certification of the Secretary of State of the State of Delaware; certificates of good standing from the

Secretary of State of the State of Delaware and the Secretary of State of the State of Illinois; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws of the Developer; and such other corporate documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. The Developer has provided to the Corporation Counsel and DPD a description of all pending or threatened litigation or administrative proceedings involving the Developer that will or may affect the ability of the Developer to complete the Project in accordance with this Agreement, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

5.16 Leases. The Developer shall have made available for the City's review copies of all executed ground and operating leases and letters of intent relating to the Project, if any, a copy of the form lease(s), and a summary aggregating total tenant occupancy figures and base rent payments in a manner reasonably acceptable to the City.

5.17 Public Benefits Matter. The Developer shall have made the contribution of \$75,000 required as Item 1 of Exhibit N hereof.

SECTION 5A. CONDITIONS PRECEDENT TO EACH PHASE COMMENCEMENT LETTER

5A.01 Developer Obligations. The Developer covenants not to commence construction of a pending Phase (including Phase One) until the City has issued a Phase Commencement Letter to the Developer for that Phase pursuant to this Section 5A. The following conditions shall have been complied with to the City's satisfaction on or prior to the issuance of each Phase Commencement Letter:

(a) Project Budget. The Developer has submitted to DPD, and DPD has approved, a Project Budget for the Phase in accordance with the provisions of Section 3.03 hereof;

(b) Scope Drawings. The Developer has submitted to DPD, and DPD has approved, the Scope Drawings for the Phase in accordance with the provisions of Section 3.02 hereof;

(c) Other Governmental Approvals. The Developer has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation for the Phase and has submitted evidence thereof to DPD;

(d) Financing. The Developer has furnished proof satisfactory to the City that the Developer has Equity and/or Lender Financing in the amounts set forth in subsection (a) hereof

to complete the Phase and satisfy its obligations under this Agreement;

(e) Insurance. The Developer, at its own expense, has insured the Property in accordance with Section 12 hereof, and has delivered certificates required pursuant to Section 12 hereof evidencing the required coverages to DPD;

(f) Evidence of Prior Expenditures. The Developer has provided evidence satisfactory to DPD of the Prior Expenditures in accordance with the provisions of Section 4.05(a) hereof;

(g) Documentation. The Developer has provided documentation satisfactory to DPD with respect to current employment matters on the prior and pending Phases of the Project, the MBE/WBE utilization plan for the pending Phase of the Project, and a progress report containing all current information, if any, requested under Section 8.07 herein;

(h) Litigation. Except as already provided to the City in connection with a prior Phase, the Developer has provided to the Corporation Counsel and DPD a description of all pending or threatened litigation or administrative proceedings involving the Developer that will or may affect the ability of the Developer to complete the pending Phase of the Project in accordance with this Agreement, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance;

(i) Leases. Except as already provided to the City in connection with a prior Phase, the Developer has made available for the City's review copies of all executed ground and operating leases and letters of intent relating to the Project, if any, a copy of the form lease(s), and a summary aggregating total tenant occupancy figures and base rent payments in a manner satisfactory to the City;

(j) Construction Contract. The Developer has submitted a copy of the Construction Contract for the pending Phase of the Project pursuant to the requirements of Section 6.01 herein; and

(k) Non-Commencement of Construction. There is no evidence that construction on the Phase has yet commenced.

5A.02 City Actions; Developer's Recordation of Covenant. Upon the City's satisfaction with the Developer's documents as set forth in Section 5A.01 above for each pending Phase of the Project, City will issue within 20 calendar days thereafter a Phase Commencement Letter to Developer in the form set forth in Exhibit R hereto stating that the Developer is not in default under the Agreement with respect to that Phase. Within five business days thereafter, the Developer shall cause to be recorded with the Office of the Recorder of Deeds of Cook County a covenant against the Property, in the form set forth in Exhibit S hereto, covering the matters set forth in Section 8.02 hereof.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Construction Contract. The Developer shall deliver to DPD a certified copy of the Construction Contract with the General Contractor selected to construct each Phase of the Project, together with any modifications, amendments or supplements thereto, in accordance with Section 5A.01 above.

6.02 Performance and Payment Bonds. Prior to the commencement of any portion of the Project which includes work on the public way, the 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 attached as Exhibit P hereto. The City shall be named as obligee or co-obligee on any such bonds.

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

6.04 Other Provisions. In addition to the requirements of this Section 6, each Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement, as applicable), Section 10.03 (MBE/WBE Requirements, as applicable), Section 12 (Insurance, as applicable) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within 15 business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION

7.01 Issuance of Completion Certificates and City Notes; Release of Recorded Covenant. DPD shall issue to the Developer, in the form attached hereto as Exhibit T, not more than three Certificates, one corresponding to the completion of each Phase of the Project, each in recordable form. At each such issuance, DPD shall release the recorded covenant pertaining to that Phase and shall also issue to the Developer the City Note corresponding to the Certificate being requested, in the amount set forth pursuant to Section 4.03(c). Issuance of each Certificate and City Note shall be in response to Developer's written request. No Certificate shall be issued unless DPD is satisfied that the Developer has fulfilled all of the following obligations that pertain to the Certificate being requested:

Obligation

Applicable Certificate(s)

<p>Completion of the Phase in accordance with Recital D hereof and the Plans and Specifications pertaining to that Phase, and within the time period set forth in <u>Section 3.01</u> hereof pertaining to that Phase (subject to force majeure as set forth in <u>Section 18.17</u> hereof)</p>	<p>Phases One, Two and Three</p>
<p>Received a certificate of occupancy from the City Building Department or such other evidence of compliance with building permit requirements as is acceptable to DPD</p>	<p>Phases One, Two and Three</p>
<p>Met or exceeded all MBE/WBE requirements set forth in this Agreement</p>	<p>Phases One, Two and Three (subject however, to the alternative next below)</p>
<p>Submitted a plan to DPD, acceptable to DPD, for meeting the MBE/WBE requirements of this Agreement in the next Phase if those requirements have not been met during the current Phase</p>	<p>Phases One and Two</p>
<p>Submitted proof that the amount of TIF-Eligible Improvements made or incurred for the Phase equals or exceeds the issuance value proposed for the corresponding Note</p>	<p>Phases One, Two and Three</p>
<p>Submitted proof that the amount of Equity and/or Lender Financing expended for the Phase equals or exceeds the issuance value proposed for the corresponding Note</p>	<p>Phases One, Two and Three</p>
<p>Met or exceeded all prevailing wage requirements of this Agreement</p>	<p>Phases One, Two and Three</p>
<p>Delivered to DPD an affidavit signed by Developer certifying the meeting or exceeding of the job creation or retention requirements of this Agreement that pertain to the Phase and are applicable to the Certificate issuance</p>	<p>Phases One, Two and Three</p>
<p>Met or exceeded all City residency hiring requirements set forth in this Agreement for entire Project</p>	<p>Phases One, Two and Three (subject, however, to the alternative next below)</p>

Paid the City the full monetary penalty for failure to meet the City residency requirements of this Agreement if those requirements have not been met when measured across all completed Phases	Phase Three, or either prior Phase if such Phase is declared by DPD to be the final Phase of the Project
Fulfillment of all progress reports requirements set forth in <u>Section 8.07</u> hereof for the Phase	Phases One, Two and Three
Fulfilled each part of the public benefits program requirements set forth in <u>Exhibit N</u> hereof, if any, that was to have been fulfilled on or before the date of the Certificate	Phases One, Two and Three
The representations and warranties of this Agreement are true and correct and the Developer is in compliance with all covenants contained herein	Phases One, Two and Three
The 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	Phases One, Two and Three
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	Phases One, Two and Three

DPD shall respond to the Developer's written request for a Certificate and Note within forty-five (45) days by issuing either the requested Certificate and Note (and releasing the recorded covenant) or a written statement detailing the ways in which the Project as a whole, or that Phase of the Project, does not conform to this Agreement or has not been satisfactorily completed, and the measures that must be taken by the Developer in order to obtain the Certificate and Note. The Developer may resubmit a written request for a Certificate and Note upon its completion of such measures.

Any Certificate may be declared the Final Completion Certificate by the City pursuant to the conditions set forth in Section 3.01 hereof.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The issuance of a Completion Certificate or the Final Completion Certificate pursuant to Sections 3.01 and 7.01 relates only to the construction of the Project or the respective Phase of the Project and, upon such issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a

Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein 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 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 each Phase of the Project. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

7.03 Failure to Complete. If the Developer fails to complete Phase One of the Project or, if commenced, Phases Two or Three, 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 pursuant hereto;

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements, if any, and to pay for the costs of such TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing such TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.01, the Developer 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 the Developer, provided that the City is entitled to rely on an opinion of bond counsel that such reimbursement will not jeopardize the tax-exempt status of the Goose Island TIF Bonds.

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

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

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

(a) the Developer is a Delaware corporation duly organized, validly existing, qualified to do business in the states of Delaware and Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

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

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the Developer 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 the Developer is contesting in good faith pursuant to Section 8.15 hereof);

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

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

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

(h) the 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 the Developer is a party or by which the Developer is bound that has or may have a material effect on its ability to perform under this Agreement;

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

(j) the Developer has not incurred, and, prior to the issuance of a Certificate, 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 thereto, except Lender Financing disclosed in the Project Budget; and

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

8.02 Covenant to Redevelop. Upon DPD's approval of the Project Budget and the Scope Drawings as provided in Sections 3.02 and 3.03 hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, the Planned Development, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. **The covenant set forth in this Section 8.02 shall run with the land during each Phase as set forth in more detail in Sections 5A.02 and 7.01 hereof and be binding upon any transferee, but in any event shall be deemed satisfied upon issuance by the City of a Certificate for a particular Phase, including a Final Completion Certificate.**

8.03 Redevelopment Plan. The Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan as it relates to the Property.

8.04 Use of City Funds. City Funds disbursed to the Developer shall be used by the Developer solely to pay for (or to reimburse the Developer for its payment for) the TIF-Funded Improvements as provided in this Agreement.

8.05 Other Bonds. The Developer acknowledges that from time to time in the future, the City may issue Additional Bonds, Refunding Bonds or Junior Lien Obligations, and if and when issued, the payment of principal of, premium, if any, and interest on such future issuances would have a prior lien on the Pledged Security over any obligation created under this Agreement. The City hereby covenants and agrees that in the future it shall not issue any Senior Lien Obligations unless, in connection therewith, the City Notes are paid in full.

If the City does issue Senior Lien Obligations in the future, the Developer agrees, at the request of the City, to cooperate in executing in a timely manner any reasonable amendments to this Agreement or other written undertakings that are necessary or desirable in order for the City to issue (in its sole discretion) any Senior Lien Obligations or other bonds in connection with the Redevelopment Area or Project (or both), the proceeds of which are to be used to reimburse the

City for expenditures made in connection with the TIF-Funded Improvements and/or prepaying the City Note; provided, however, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

8.06 Job Maintenance Requirement. (a) For a period of ten (10) years following the issuance of the Phase One Note, the Developer shall continuously maintain a minimum of one hundred eighty-five (185) Full Time Equivalent, permanent jobs at the Facility; for a period of ten (10) years following the issuance of the Phase Two Note, the Developer shall continuously maintain a minimum of two hundred eighty-one (281) Full Time Equivalent, permanent jobs at the Facility; and for a period of ten (10) years following the issuance of the Phase Three Note, the Developer shall continuously maintain a minimum of three hundred ninety-eight (398) Full Time Equivalent, permanent jobs at the Facility. In connection with the ten-year jobs maintenance requirement related to each City Note as stated above, the figure which is equal to ninety percent (90%) of the aforementioned minimum jobs number related to that City Note shall hereinafter in this Section be referred to as the "Minimum Jobs Threshold." (As an example, the Minimum Jobs Threshold for the ten-year period following the issuance of the Phase One Note is 166.5 Full Time Equivalent, permanent jobs, such figure being 90% of 185.)

(b) In the event Developer creates more than the minimum jobs provided for herein for any given City Note period, the additional jobs created shall be credited against Developer's obligation for the next subsequent City Note period. In addition, if the scope of any Phase is altered as provided for in Section 4.03(c) hereof, then Developer and DPD shall adjust the number of jobs required for that Phase proportionately to the actual square footage of the facilities constructed during said Phase. At the completion of any given Phase, Developer shall have a hiring period of 90 days to create the minimum jobs required for that City Note period. The hiring period shall be not counted in the computation of the Sub-Minimum Year (as defined below).

(c) If in a given calendar year (hereinafter in this section referred to as a "Subject Year") the Developer would otherwise be entitled to a payment under a City Note, and if during the twelve-month period from April 1 of the year preceding the Subject Year through March 30 of the Subject Year (hereinafter referred to in this section as "the Jobs Measurement Period") the Developer did not continuously maintain a number of Full Time Equivalent, permanent jobs at the Facility equal to or greater than the Minimum Jobs Threshold applicable for that Jobs Measurement Period, then the aforementioned City Note payment shall be held in reserve by the City. A Subject Year in which a City Note payment is held in reserve by the City for the reasons stated above in this Section shall hereinafter be referred to as a "Sub-Minimum Year." If with respect to the Subject Year following a Sub-Minimum Year the Developer continuously maintained, during the Jobs Measurement Period applicable to that Subject Year, a number of Full Time Equivalent, permanent jobs at the Facility equal to or greater than the Minimum Jobs

Threshold applicable for that Jobs Measurement Period, then the previously held City Note payment shall be made to the Developer; provided, however, no interest shall accrue on such payment amount for the period that such payment was held by the City.

(d) With respect to any City Note, upon the occurrence of a third Sub-Minimum Year during the relevant ten-year period following the issuance of that City Note as described in paragraph (a) of this Section 8.06, the City may cancel that City Note and be relieved of all further payment obligations with respect to that City Note, and the City may retain for its own purposes all payments under that City Note that were held by the City due to the occurrence of the Sub-Minimum Years.

(e) For purposes of this Section 8.06, a Sub-Minimum Year will not count toward the ten-year requirement for maintenance of a certain minimum number of jobs following the issuance of a City Note as described in paragraph (a) of this Section 8.06.

8.07 Employment Opportunity; Progress Reports. The 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 hereof for each Phase of the Project. The Developer shall deliver to the City written progress reports during the progress of each Phase detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement for each such Phase. Such reports shall be delivered to the City monthly during the Developer's progress on each such Phase. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which the Developer shall correct any shortfall.

8.08 Employment Profile. The 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. The 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, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09.

8.10 Arms-Length Transactions. Unless DPD has given its prior written consent with respect thereto, no Affiliate of the Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. The Developer shall provide information with respect to any

entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using City Funds, or otherwise), upon DPD's request, prior to any such disbursement.

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

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

8.13 Financial Statements. On the Closing Date, the Developer shall obtain and provide to DPD Financial Statements for the Developer's most recently completed fiscal years and each most recently completed fiscal year thereafter for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements (such as 10-Qs) as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, the 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, the 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. The 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. The Developer has the right, before any delinquency occurs:

(i) 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 the 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. The Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of the Developer to any other person or entity. The Developer shall immediately notify DPD of any and all events or actions which may materially affect the 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 the 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, the Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of Cook County. This Agreement shall be recorded prior to any mortgage made in connection with Lender Financing. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) **Governmental Charges.**

(i) **Payment of Governmental Charges.** The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project, or become due and payable, and which create, or may create, a lien upon the Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean 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 relating to the Developer, the Property or the Project including but not limited to real estate taxes.

(ii) Right to Contest. The 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 the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

(i) the Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by the 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 prior to final determination of such proceedings; and/or

(ii) the 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 the Developer fails to pay any Governmental Charge, to obtain discharge of same, or contest same in the manner herein permitted, then the Developer shall advise DPD thereof in writing, at which time DPD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to DPD by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

8.20 Public Benefits Programs. The Developer shall, prior to the issuance of the Final Completion Certificate, undertake and complete the public benefits programs described on

Exhibit N hereto. On a semi-annual basis commencing the half-year of the Closing Date and running through and including the half-year following the issuance of the Final Completion Certificate, the Developer shall provide the City a status report describing in detail the Developer's progress on the public benefits programs.

8.21 Sale or Transfer of Property. Prior to any sale or transfer of title to all or any portion of the Property by the Developer, the Developer shall provide the City with at least 15 calendar days' prior written notice of such sale or transfer.

8.22 Operation and Use of Facilities.

(a) Sole Tenancy and Operation by Developer. The Developer shall remain the sole tenant and operator of the Facility until all of the City Notes have been paid in full.

(b) Change of Use of Facilities. The Developer shall not, without the prior written consent of DPD, change the use of the Facility from the described uses set forth in Recital D of this Agreement until all of the City Notes have been paid in full.

(c) Cessation of Use of Facilities. The Developer shall not cease its operations at any part of the Facility until all of the City Notes have been paid in full. If, notwithstanding the covenant in the preceding sentence, all of the Developer's operations at the Facility cease within three (3) years after the issuance of the Final Completion Certificate, the Developer shall immediately notify the City in writing of said occurrence, the City Notes shall be void, the City shall cease making payments under the City Notes, and the Developer covenants, upon demand from the City, to immediately repay to the City in a lump sum all City Funds the Developer has received under the City Notes and this Agreement, provided that the City has determined (and may rely upon an opinion of bond counsel in that regard) that such repayment will not jeopardize the tax-exempt status of the Goose Island TIF bonds. If, notwithstanding the covenant in the first sentence of this sub-paragraph (c), all of the Developer's operations at the Facility cease starting three (3) years or more after the issuance of the Final Completion Certificate, the Developer shall immediately notify the City in writing of said occurrence, the City Notes shall be void, and the City shall cease making payments under the City Notes.

8.23 Class 6(b) Resolution. The Developer covenants not to seek a Cook County Class 6(b) tax incentive for any part of the Project other than the Pilot Plant.

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

SECTION 9. 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 hereunder, including the issuance of the City Notes.

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 hereto and be in effect throughout the Term of the Agreement.

9.03 Support for Class 6(b) Resolution. Subject to the Developer's compliance with this Agreement, the City agrees to support the application of the Developer for a Cook County Class 6(b) tax incentive for the Pilot Plant and its expansion, if any, including renewals for at least the period for which renewals should be sought during the Term of the Agreement; provided however, that such Pilot Plant qualifies for such tax incentive under the Cook County Classification Ordinance.

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

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

10.02 City Resident Construction Worker Employment Requirement. The 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 of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

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

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

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

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of DPD monthly in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

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

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

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

When work on the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this 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 the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution.

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 state in all advertisements for the jobs at the Project that Developer is an Equal Opportunity Employer.

The 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 The Developer's MBE/WBE Commitment. The 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 each Phase of the Project:

a. Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE" Program"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of each Phase of the Project, at least the following percentages of the MBE/WBE Budget (as these budgeted amounts may be reduced to reflect decreased actual costs) shall be expended for contract participation by MBEs or WBEs:

- i. At least 25 percent by MBEs.
- ii. At least 5 percent by WBEs.

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

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the

MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03.

d. The Developer shall deliver monthly reports to DPD during each Phase of 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 the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DPD in determining the Developer's compliance with this MBE/WBE commitment. DPD has access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Section 14 of this Agreement, on five (5) business days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

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

f. Prior to the commencement of each Phase of the Project, the Developer, the General Contractor and all Major Contractors shall be required to meet with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Section 10.03. During this meeting, the Developer shall demonstrate to DPD its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by DPD. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of DPD, 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 DPD, upon analysis of the documentation, that the Developer is not complying with its

obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) withhold any further payment of any City Funds to the Developer or the General Contractor, or (2) seek any other remedies against the Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that the 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 Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, the Bond Ordinance and the Redevelopment Plan.

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the 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 all or any portion of the Property, 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 the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

The Developer shall provide and maintain, or cause to be provided, at the Developer's own expense, during the Term of the Agreement (or as otherwise specified below), the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement and Throughout the Term of the Agreement

(i) Workers Compensation and Employers Liability Insurance

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

(ii) Commercial General Liability Insurance (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 shall 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.

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

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

(ii) Commercial General Liability Insurance (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 shall include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, 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) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide 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 Insurance

When any work is to be done adjacent to or on railroad or transit property, Contractor shall provide, or cause to be provided with respect to the operations that the Contractor performs, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy has 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) Builders Risk Insurance

When the Contractor undertakes any construction, including improvements, betterments, and/or repairs, the Contractor shall 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 permanent facility. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable. The City of Chicago shall be named as an additional insured and loss payee.

(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 shall be maintained with limits of not less than \$1,000,000. Coverage shall include contractual liability. 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.

(vii) Valuable Papers Insurance

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

(viii) Contractor's Pollution Liability

When any remediation work is performed which may cause a pollution exposure, contractor's Pollution Liability shall be provided with limits of not less than \$1,000,000 insuring bodily injury, property damage and environmental remediation, cleanup costs and disposal. When policies are

renewed, 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 one (1) year. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(c) Term of the Agreement

- (i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Property. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.
- (ii) **Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.**

(d) Other Requirements

The Developer will furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage 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. 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 the Developer shall not be deemed to be a waiver by the City. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the 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 terminate this Agreement until proper evidence of insurance is provided.

The insurance shall 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 and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by the Developer.

The Developer agrees that insurers shall waive rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's liabilities and responsibilities specified within the Agreement documents or by law.

The Developer expressly understands and agrees that the Developer's insurance is primary and any insurance or self insurance programs maintained by the City of Chicago shall not contribute with insurance provided by the Developer under the Agreement.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The Developer shall require the General Contractor, and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the General Contractor, or subcontractors. All General Contractors and subcontractors shall be subject to the same requirements (Section (d)) of Developer unless otherwise specified herein.

If the Developer, General Contractor or any subcontractor desires additional coverages, the Developer, General Contractor and any subcontractor shall be responsible for the acquisition and cost of such additional protection.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as any such change does not increase these requirements.

SECTION 13. INDEMNIFICATION

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

(i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement (except that Developer shall have no

obligation to indemnify or defend the City in connection with any Developer suit against the City undertaken to enforce the City's obligations under this Agreement to the extent that the City's action or inaction under this Agreement causes such failure); or

(ii) the 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 offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of the Developer or any Affiliate of Developer; or

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

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. The 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 the 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 the Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the 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, subject to the provisions of Section 15.03, shall constitute an "Event of Default" by the Developer hereunder:

(a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any related agreement (except as may be excused pursuant to Section 18.17 herein);

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

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

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

(e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the 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 the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

(g) the entry of any judgment or order against the Developer that prevents the fulfillment

of any obligation of this Agreement and which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

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

(i) the dissolution of the Developer; or

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer or any natural person who owns a material interest in the Developer, which is not dismissed within thirty (30) days, or the indictment of the Developer or any natural person who owns a material interest in the Developer, for any crime (other than a misdemeanor).

For purposes of Sections 15.01(i) and 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of ten (10%) of the Developer's issued and outstanding shares of stock.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

15.03 Curative Period. In the event the Developer shall fail to perform a monetary covenant which the 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 the 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 the Developer shall fail to perform a non-monetary covenant which the 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 the Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.; and provided, further, that except as provided in Section 8.06 hereof there shall be no cure period under this Section 15.03 with respect to the Developer's failure to comply with the job maintenance requirements of Section 8.06.

SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on Exhibit G hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "Existing Mortgages." Any mortgage or deed of trust that the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to herein as a "New Mortgage." Any New Mortgage that the 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 herein as a "Permitted Mortgage." It is hereby agreed by and between the City and the Developer as follows:

(a) In the event that a mortgagee or any other party shall succeed to the 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 the Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the 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) In the event that any mortgagee shall succeed to the 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 the Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "the Developer" hereunder; provided that such party may succeed to the Developer's interest in any one or more of the City Notes only if consented to in writing by the City; and 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 the Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, in which case the Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of the Developer's interest hereunder, 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) Prior to the issuance by the City to the Developer of a Final Completion Certificate

pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD.

SECTION 17. NOTICE

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

If to the City:	City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, IL 60602 Attention: Commissioner
With Copies To:	City of Chicago Department of Law Finance and Economic Development Division 121 North LaSalle Street, Room 600 Chicago, IL 60602
If to the Developer:	Wm. Wrigley Jr. Company 410 N. Michigan Avenue Chicago, Illinois 60611 Attn: William Piet, Vice-President of Corporate Affairs
With Copies To:	Wm. Wrigley Jr. Company 410 N. Michigan Avenue Chicago, Illinois 60611 Attn: General Counsel

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 the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibit D hereto without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 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 hereof) 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 the Developer by more than ninety (90) days.

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

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

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

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

18.07 Disclaimer. Nothing contained in this Agreement nor any act of the City or Developer 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 other party.

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

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

18.10 Severability. If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

18.11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances and/or the the Bond Ordinance, if any, such ordinance(s) shall prevail and control.

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

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

18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD or the Commissioner, or any matter is to be to the City's, DPD'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 or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act for the City or DPD in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

18.15 Assignment. The Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 Real Estate Provisions and 8.24 (Survival of Covenants) hereof, for the Term of the

Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part, provided that such action does not relieve the City of its obligations hereunder.

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

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

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

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

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

18.21 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses,

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

18.22 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

18.23 Estoppel Certificate. If Developer requests in writing a reasonable form of estoppel letter relating to the status of this Agreement, the City shall provide same within 30 days after receipt of such written request.

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

WM. WRIGLEY JR. COMPANY

By: 

Its: Vice President, Secretary & General Counsel

CITY OF CHICAGO

By: _____

Alicia Mazur Berg
Commissioner, Department of Planning and
Development

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

WM. WRIGLEY JR. COMPANY

By: _____

Its: _____

CITY OF CHICAGO

By: *Alicia Mazur Berg*

Alicia Mazur Berg *AM*
Commissioner, Department of Planning and
Development

LIST OF EXHIBITS

Exhibit A	Legal Description of Redevelopment Area
Exhibit B	Legal Description of Property
Exhibit C	TIF-Funded Improvements
Exhibit D*	Redevelopment Plan
Exhibit E*	Construction Contract
Exhibit F	n/a
Exhibit G	Permitted Liens
Exhibit H-1	Project Budget
Exhibit H-2	MBE/WBE Budget
Exhibit I*	Approved Prior Expenditures
Exhibit J	Opinion of Developer's Counsel
Exhibit K*	Preliminary TIF Projection -- Real Estate Taxes
Exhibit L	Requisition Form
Exhibit M	Form of City Note
Exhibit N	Public Benefits Program
Exhibit O*	Form of Subordination Agreement
Exhibit P	Form of Payment and Performance Bond
Exhibit Q	Sample Flow of Funds Worksheet
Exhibit R	Form of Phase Commencement Letter
Exhibit S	Form of Covenant to Develop
Exhibit T	Form of Completion Certificate

* indicates that the exhibit will not be included in the ordinance packet

EXHIBIT A

REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

(Goose Island Redevelopment Project Area)

That part of the East half of Section 5, Township 39 North, Range 14 East of the Third Principal Meridian, in the City of Chicago, Cook County, Illinois, described as follows:

Commencing at the East quarter corner of Section 5 aforesaid, being the centerline intersection of N. Halsted Street and W. Division Street; thence South along the centerline of N. Halsted Street to the Northerly seawall of the North Branch of the Chicago River; thence Northwesterly along said seawall to the West line of North Halsted Street for a point of beginning; thence continuing Northwesterly along said seawall to the North line of Division Street; thence East along said North line, to the East line of Branch Street; thence Northwesterly along said East line to the South line of Eastman Street; thence Northeasterly along said South line and its extension to the East line of Cherry Avenue; thence North along said East line to the Easterly projection of the South line of Lot 11 in Block 50 in Elston's Addition to Chicago in the West half of the Northeast quarter of Section 5 aforesaid; thence West along said projected South line to the Southwest corner of Lot 11 aforesaid; thence Northerly along the West line of Block 50 to the Northwest corner of Lot 4 therein; thence East along the North line of said Lot 4 to the Southwest corner of Lot 3; thence North along the West line of Lots 3, 2 and 1 to the Northwest corner of Lot 1; thence East along the North line of Lot 1, and along the Southerly seawall of the North Branch Canal to the property line between CMC Properties to the West and Waste Management Corporation to the East; thence Southerly and Southeasterly along said common property line to the North line of Division Street; thence East along said North line to the Westerly seawall of the North Branch Canal; thence Southeasterly along said seawall to the South line of Division Street; thence West along said South line to the Easterly line of Hickory Avenue; thence Southeasterly along said Easterly line to the Westerly projection of the Northerly line of Haines Street; thence Northeasterly along said North line to the Westerly line of Hooker Street; thence Southeasterly along said Westerly line to the Southerly line of Haines Street; thence Northeasterly along said Southerly line to the West line of North Halsted Street; thence South along said West line to the point of beginning.

EXHIBIT B

Legal Description of Property

[see attached]

Parcel 1

Lots 4 to 11 inclusive in Block 50 in Elston Addition to Chicago in the Northeast $\frac{1}{4}$ of Section 5, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois. .

Parcel 2

A Strip of land lying Westerly of Lots 6 to 11 inclusive, aforesaid, described as follows:

Commencing at the Southwest corner of Lot 11, thence West 24.6 feet more or less to the line of dock at it existed on January 12, 1956, of the North Branch of the Chicago River, thence Northerly along said dock to the intersection of the dock with the West line of Lot 6, thence Southerly along the West line of Lots 6 to 11 inclusive to the point of beginning, in Cook County, Illinois.

Also

Parcel 3

A Strip of land lying Westerly of Lots 4 and 5 inclusive, aforesaid, described as follows:

Commencing at the Northwest corner of Lot 4, thence Southerly along the Westerly lines of Lots 4 and 5 to a point of intersection with the line of the dock as it existed on January 12, 1956 of the North Branch of the Chicago River. Thence Northerly along said dock to a point 17 feet more or less West of the Northwest corner of Lot 4, measured on the North line of Lot 4 extended West, thence East to point of beginning, in Cook County, Illinois.

PIN numbers: 17-05-200-008
17-05-200-010

Part of the land has not been assessed for general real estate tax purposes and will be subject to such taxes if and when the land is assess and said taxes are imposed.

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

[see attached]

Wrigley Innovation Center
TIF Eligible Cost - Exhibit C

	Total Project	TIF Eligible
Land Acquisition		
Land Acquisition	\$ 9,000,000	\$ 9,000,000
Hard Cost		
Site Preparation		
Remediation and Preparation	\$ 700,000	\$ 700,000
Cleaning and Grading		
Cleaning and Grading	\$ 175,000	\$ 175,000
Public Works Improvements		
Utility Upgrades	\$ 300,000	\$ 300,000
Curb, Gutter and Sidewalks	\$ 300,000	\$ 300,000
Road Bed	\$ 350,000	\$ 350,000
Landscaping	\$ 200,000	\$ 200,000
Pedestrian Bridge to North Avenue	\$ 975,000	\$ 975,000
Traffic Control Improvements	\$ 175,000	\$ 175,000
Property Assembly Cost		
Engineered Barrier(s)	\$ 2,400,000	\$ 2,400,000
Demolition		
Removal of existing Building and Foundation	\$ 350,000	\$ 350,000
Building Construction		
Sub Structure	\$ 4,511,375	na
Superstructure	\$ 4,033,700	na
Exterior Enclosure	\$ 4,458,300	na
Roof	\$ 2,547,600	na
Interiors	\$ 12,897,225	na
Conveyance	\$ 2,706,825	na
Plumbing	\$ 6,315,925	na
HVAC	\$ 8,014,325	na
Fire Protection	\$ 796,125	na
Electrical	\$ 6,422,075	na
Equipment	\$ 371,525	na
Relocation Cost		
Moving Cost	\$ 550,000	na
Subtotal	\$ 59,550,000	\$ 5,925,000
Hard Cost Contingency	\$ 5,955,000	\$ 592,500 *
Total Hard Costs	\$ 65,505,000	\$ 6,517,500
Soft Cost		
Studies		
Traffic	\$ 40,000	na
Master Planning	\$ 120,000	na
Environmental Assessment	\$ 150,000	\$ 150,000
Zoning	\$ 40,000	na
Surveys (Geotech, Land & Breakwall)		
Geotechnical	\$ 65,000	\$ 65,000
Land Survey	\$ 65,000	\$ 65,000
River Edge Wall Assessment	\$ 70,000	\$ 70,000
Professional Fees		
A&E Fees	\$ 4,500,000	\$ 262,800
Legal	\$ 275,000	\$ 16,060
Financial Feasibility	\$ 75,000	na
Process Engineer	\$ 75,000	na
Other Consultants	\$ 700,000	\$ 40,880
Construction Manager Fees	\$ 2,000,000	\$ 116,800
Project Manager	\$ 800,000	\$ 46,720
Marketing Sites		
Marketing	\$ 275,000	na
Advertisement	\$ 30,000	na
Subtotal	\$ 9,280,000	\$ 833,260
Other Soft Costs & Contingency	\$ 545,000	\$ 31,828 *
Total Soft Costs	\$ 9,825,000	\$ 865,088
Total Project Cost	\$ 84,330,000	\$ 16,382,588

* Contingency Costs must be related to TIF-eligible costs listed above in order to qualify

Notwithstanding the total of TIF-Funded Improvements, the assistance to be provided by the City is limited to the maximum amount of City Funds calculated pursuant to Section 4.03 herein.

EXHIBIT D

Redevelopment Plan

[see attached]

[not included in ordinance packet]

EXHIBIT E

Construction Contract

[see attached]

[not included in ordinance packet]

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any: None

EXHIBIT H-1

PROJECT BUDGET

[see attached]

Wrigley Innovation Center
Project Budget - Exhibit H-1

	Total Project	Phase I	Phase II	Phase III
Land Acquisition				
Land Acquisition	\$ 9,000,000	\$ 9,000,000		
Hard Cost				
Site Preparation				
Remediation and Preparation	\$ 700,000	\$ 700,000		
Cleaning and Grading				
Cleaning and Grading	\$ 175,000	\$ 175,000		
Public Works Improvements				
Utility Upgrades	\$ 300,000	\$ 300,000		
Curb, Gutter and Sidewalks	\$ 300,000	\$ 300,000		
Road Bed	\$ 350,000	\$ 350,000		
Landscaping	\$ 200,000	\$ 200,000		
Pedestrian Bridge to North Avenue	\$ 975,000	\$ 975,000		
Traffic Control Improvements	\$ 175,000	\$ 175,000		
Property Assembly Cost				
Engineered Barrier(s)	\$ 2,400,000	\$ 2,400,000		
Demolition				
Removal of existing Building and Foundatio	\$ 350,000	\$ 350,000		
Building Construction				
Sub Structure	\$ 4,511,375	\$ 1,793,610	\$ 983,840	\$ 1,663,200
Superstructure	\$ 4,033,700	\$ 1,494,675	\$ 916,760	\$ 1,549,800
Exterior Enclosure	\$ 4,458,300	\$ 1,747,620	\$ 872,040	\$ 1,852,200
Roof	\$ 2,547,600	\$ 988,785	\$ 480,740	\$ 1,077,300
Interiors	\$ 12,897,225	\$ 5,403,825	\$ 2,716,740	\$ 4,781,700
Conveyance	\$ 2,706,825	\$ 1,517,670		\$ 1,644,300
Plumbing	\$ 6,315,925	\$ 3,748,185	\$ 1,934,140	\$ 396,900
HVAC	\$ 8,014,325	\$ 3,357,270	\$ 1,777,620	\$ 2,797,200
Fire Protection	\$ 796,125	\$ 390,915	\$ 190,060	\$ 189,000
Electrical	\$ 6,422,075	\$ 2,299,500	\$ 1,185,080	\$ 2,948,400
Equipment	\$ 371,525	\$ 252,945	\$ 122,980	\$ -
Relocation Cost				
Moving Cost	\$ 550,000	\$ 550,000		
Subtotal	\$ 59,550,000	\$ 29,470,000	\$ 11,180,000	\$ 18,900,000
Hard Cost Contingency	\$ 5,955,000	\$ 2,947,000	\$ 1,118,000	\$ 1,890,000
Total Hard Costs	\$ 65,505,000	\$ 32,417,000	\$ 12,298,000	\$ 20,790,000
Soft Cost				
Studies				
Traffic	\$ 40,000	\$ 40,000		
Master Planning	\$ 120,000	\$ 120,000		
Environmental Assessment	\$ 150,000	\$ 150,000		
Zoning	\$ 40,000	\$ 40,000		
Surveys (Geotech, Land & Breakwall)				
Geotechnical	\$ 65,000	\$ 65,000		
Land Survey	\$ 65,000	\$ 65,000		
River Edge Wall Assessment	\$ 70,000	\$ 70,000		
Professional Fees				
A&E Fees	\$ 4,500,000	\$ 2,500,000	\$ 850,000	\$ 1,150,000
Legal	\$ 275,000	\$ 275,000		
Financial Feasibility	\$ 75,000	\$ 75,000		
Process Engineer	\$ 75,000	\$ 75,000		
Other Consultants	\$ 700,000	\$ 300,000	\$ 150,000	\$ 250,000
Construction Manager Fees	\$ 2,000,000	\$ 980,000	\$ 380,000	\$ 640,000
Project Manager	\$ 800,000	\$ 400,000	\$ 200,000	\$ 200,000
Marketing Sites				
Marketing	\$ 275,000	\$ 275,000		
Advertisement	\$ 30,000	\$ 30,000		
Subtotal	\$ 9,280,000	\$ 5,460,000	\$ 1,580,000	\$ 2,240,000
Other Soft Costs & Contingency	\$ 545,000	\$ 545,000		
Total Soft Costs	\$ 9,825,000	\$ 6,005,000	\$ 1,580,000	\$ 2,240,000

EXHIBIT H-2

MBE/WBE Budget

[see attached]

Wrigley Innovation Center

Exhibit H-2. MBE/WBE Budget

MBE/WBE Applicable Direct Cost of Construction

Site Preparation	
Remediation and Preparation	\$ 700,000
Clearing and Grading	
Clearing and Grading	\$ 175,000
Public Works Improvements	
Utility Upgrades	\$ 300,000
Curb, Gutter and Sidewalks	\$ 300,000
Road Bed	\$ 350,000
Landscaping	\$ 200,000
Pedestrian Bridge to North Avenue	\$ 975,000
Traffic Control Improvements	\$ 175,000
Property Assembly Cost	
Engineered Barrier(s)	\$ 2,400,000
Demolition	
Removal of existing Building and Foundation	\$ 350,000
Building Construction	
Sub Structure	\$ 4,511,375
Superstructure	\$ 4,033,700
Exterior Enclosure	\$ 1,958,300
Roof	\$ 2,547,600
Interiors	\$ 6,262,225
Conveyance	\$ -
Plumbing	\$ 6,315,925
HVAC	\$ 7,814,325
Fire Protection	\$ 796,125
Electrical	\$ 6,422,075
Equipment	\$ 371,525
Professional Fees	
A&E Fees	\$ 4,500,000
Construction Manager Fees	\$ 2,000,000
Total	\$ 53,458,175

- Wind Turbines
 - Manufacturers: Mitsubishi Heavy Industries, Vestas – American Wind Technology, Inc., The Wind Turbine Company, Atlantic Orient Corporation, NEG Micon USA, Inc., Nordex USA, Inc., Northern power Systems.

EXHIBIT I

APPROVED PRIOR EXPENDITURES

[see attached]

[not included in ordinance packet]

EXHIBIT J

OPINION OF DEVELOPER'S COUNSEL

[To be retyped on the Developer's Counsel's letterhead]

—, —

City of Chicago
121 North LaSalle Street - Suite 600
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to Wm Wrigley Jr. Company, a Delaware corporation (the "Developer"), in connection with the purchase of certain land and the construction of certain facilities thereon located in the Goose Island Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

- (a) Wm Wrigley Jr. Company Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the City of Chicago (the "City");
- (b) [insert other documents including but not limited to documents related to purchase and financing of the Property and all lender financing related to the Project]; and
- (c) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, we have examined: •

- (a) the original or certified, conformed or photostatic copies of the Developer's (i) Articles of Incorporation, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) By-Laws, as amended to date, and (iv) records of all corporate proceedings relating to the Project; and
- (b) such other documents, records and legal matters as we have deemed necessary or relevant for purposes of issuing the opinions hereinafter expressed.

In all such examinations, we have assumed the genuineness of all signatures

(other than those of the Developer), the authenticity of documents submitted to us as originals and conformity to the originals of all documents submitted to us as certified, conformed or photostatic copies.

Based on the foregoing, it is our opinion that:

1. The Developer is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign corporation under the laws of every state, including Illinois, in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

2. The Developer has full right, power and authority to execute and deliver the Documents to which it is a party and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, the Developer's Articles of Incorporation or By-Laws or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which the Developer is a party or by which the Developer or its properties is bound. To the best of our knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture, undertaking or other instrument to which the Developer is a party or by which it or any of its property may be bound, or result in the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its property pursuant to the provisions of any of the foregoing, other than liens or security interests in favor of the lender providing Lender Financing (as defined in the Agreement).

3. The execution and delivery of each Document and the performance of the transactions contemplated thereby have been duly authorized and approved by all requisite action on the part of the Developer.

4. Each of the Documents to which the Developer is a party has been duly executed and delivered by a duly authorized officer of the Developer, and each such Document constitutes the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency or similar laws affecting the enforcement of creditors' rights generally.

5. Exhibit A attached hereto (a) identifies each class of capital stock of the Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of the Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on Exhibit A, there are no warrants, options, rights or commitments of

purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital stock of the Developer is duly authorized, validly issued, fully paid and nonassessable.

6. To the best of our knowledge after diligent inquiry, no judgments are outstanding against the Developer, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against the Developer or affecting the Developer or its property, or seeking to restrain or enjoin the performance by the Developer of the Agreement or the transactions contemplated by the Agreement, or contesting the validity thereof. To the best of our knowledge after diligent inquiry, the Developer is not in default with respect to any order, writ, injunction or decree of any court, government or regulatory authority or in default in any respect under any law, order, regulation or demand of any governmental agency or instrumentality, a default under which would have a material adverse effect on the Developer or its business.

7. To the best of our knowledge after diligent inquiry, there is no default by the Developer or any other party under any material contract, lease, agreement, instrument or commitment to which the Developer is a party or by which the company or its properties is bound.

8. To the best of our knowledge after diligent inquiry, all of the assets of the Developer are free and clear of mortgages, liens, pledges, security interests and encumbrances except for those specifically set forth in the Documents.

9. The execution, delivery and performance of the Documents by the Developer have not and will not require the consent of any person or the giving of notice to, any exemption by, any registration, declaration or filing with or any taking of any other actions in respect of, any person, including without limitation any court, government or regulatory authority.

10. To the best of our knowledge after diligent inquiry, the Developer owns or possesses or is licensed or otherwise has the right to use all licenses, permits and other governmental approvals and authorizations, operating authorities, certificates of public convenience, goods carriers permits, authorizations and other rights that are necessary for the operation of its business.

11. A federal or state court sitting in the State of Illinois and applying the choice of law provisions of the State of Illinois would enforce the choice of law contained in the Documents and apply the law of the State of Illinois to the transactions evidenced thereby.

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than the federal laws of the United States of America and the laws of the States of Delaware and Illinois.

[separate opinion of corporate counsel or Delaware counsel might be needed

if Illinois counsel cannot opine as to the laws of Delaware]

This opinion is issued at the Developer's request for the benefit of the City and its counsel, and may not be disclosed to or relied upon by any other person.

Very truly yours,

By: _____

Name: _____

EXHIBIT K

Preliminary TIF Projection - Real Estate Taxes

[see attached]

[not included in ordinance packet]

GOOSE ISLAND TIF

WRIGLEY PROJECT (Goose Island TIF)

EXHIBIT _____

YEAR	ASSESSED VALUE	ESTIMATED MULTIPLIER	EQUALIZED ASS. VALUE	BASE EAV	TAX RATE	TAXES PAID	INCREMENTAL TAXES
2003	\$39,671	2.3098	\$91,631	\$91,631	7.692%	\$7,048	\$0
2004	\$5,539,896	2.3098	\$12,796,051	\$91,631	7.692%	\$984,272	\$0
2005	\$5,659,286	2.3098	\$13,071,818	\$91,631	7.692%	\$1,005,484	\$977,224
2006	\$8,319,743	2.3098	\$19,216,943	\$91,631	7.692%	\$1,478,167	\$998,436
2007	\$8,491,292	2.3098	\$19,613,186	\$91,631	7.692%	\$1,508,646	\$1,471,119
2008	\$13,595,164	2.3098	\$31,402,109	\$91,631	7.692%	\$2,415,450	\$1,501,598
2009	\$14,456,323	2.3098	\$33,391,215	\$91,631	7.692%	\$2,568,452	\$2,408,402
2010	\$14,456,323	2.3098	\$33,391,215	\$91,631	7.692%	\$2,568,452	\$2,561,404
2011	\$14,456,323	2.3098	\$33,391,215	\$91,631	7.692%	\$2,568,452	\$2,561,404
2012	\$15,370,187	2.3098	\$35,502,057	\$91,631	7.692%	\$2,730,818	\$2,561,404
2013	\$15,370,187	2.3098	\$35,502,057	\$91,631	7.692%	\$2,730,818	\$2,723,770
2014	\$15,370,187	2.3098	\$35,502,057	\$91,631	7.692%	\$2,730,818	\$2,723,770
2015	\$16,339,980	2.3098	\$37,742,086	\$91,631	7.692%	\$2,903,121	\$2,723,770
2016	\$16,339,980	2.3098	\$37,742,086	\$91,631	7.692%	\$2,903,121	\$2,896,073
2017	\$16,339,980	2.3098	\$37,742,086	\$91,631	7.692%	\$2,903,121	\$2,896,073
2018	\$17,369,119	2.3098	\$40,119,192	\$91,631	7.692%	\$3,085,968	\$2,896,073
2019	\$17,369,119	2.3098	\$40,119,192	\$91,631	7.692%	\$3,085,968	\$3,078,920

EXHIBIT L

REQUISITION FORM

State of Illinois)
) SS
COUNTY OF COOK)

Date: _____

The affiant, Wm. Wrigley Jr. Company, a Delaware corporation (the "Developer"), hereby certifies that with respect to that certain Wm. Wrigley Jr. Company Redevelopment Agreement between the Developer and the City of Chicago dated _____, ____ (the "Agreement"):

A. Developer is the sole tenant and operator of the Facility as of the date hereof.

B. As of March 30 of this year, the Developer employed _____ Full Time Equivalent, permanent jobs at the Facility, and this number is equal to or greater than the Minimum Jobs Threshold for this year as set forth in the Agreement.

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

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

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.

D. The Developer hereby requests that the City make its annual payment for this calendar year on the applicable City Note or City Notes pursuant to Section 4.03 of the Agreement.

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

Wm. Wrigley Jr. Company

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

[attach statement describing exceptions, if any, to C.1. above]

EXHIBIT M

FORM OF NOTES

REGISTERED	PRINCIPAL
	AMOUNT *
NO. [R-1] [R-2] [R-3]	[\$[9,000,000]
	[3,000,000]
	[3,000,000]

* The actual principal amount of each Note will be computed at the time of issuance pursuant to those terms and conditions of Section 4.03 of the Agreement that apply to that Note.

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(WM. WRIGLEY JR. COMPANY REDEVELOPMENT PROJECT)
TAXABLE SERIES [insert year of issuance]
(Phase [One] [Two] [Three])**

Registered Owner: Wm. Wrigley Jr. Company

Interest Rate: 8.625% per annum

Dated Date: _____

Maturity Date: _____

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the Principal Amount specified above of this Note to pay costs of the Project (as hereinafter defined) in accordance with the Ordinance (as hereinafter defined) and the Agreement (as hereinafter defined), and to pay the Registered Owner, or registered assigns as hereinafter provided, interest on the outstanding and unpaid Principal Amount at the Interest Rate per year

specified above from the Dated Date specified above. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Accrued but unpaid interest on this Note shall also accrue interest at the interest rate per year specified above until paid. Principal of and interest on this Note are payable each year on the date determined as set forth in the Agreement and in the amounts determined as set forth in the Agreement until the earlier of the Maturity Date or until this Note is paid in full. Payments shall first be applied to interest.

The principal of and interest on this Note are payable in lawful money of the United States of America and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment promptly upon receipt of such payment, and indicate how much of it applies to Deferred Payment Amounts, accrued interest and principal.

This Note is issued by the City for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Wm. Wrigley Jr. Company in connection with the construction of Phase [One] [Two] [Three], consisting of approximately [150,000] [60,000] [90,000] square feet of buildings [and parking facilities] as set forth in that Wm. Wrigley Jr.

Company Redevelopment Agreement by and between the Wm. Wrigley Jr. Company and the City and dated _____ (the "Agreement") (the "Project") in the Goose Island Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act") , the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on _____, _____ (the "Ordinance"), in all respects as required by law.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Agreement for a description with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. **THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, IS PAYABLE SOLELY FROM A PORTION OF THE ANNUAL AVAILABLE EXCESS INCREMENTAL TAXES AS DEFINED IN THE AGREEMENT, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCE. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION**

THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE. The principal of this Note is subject to redemption on any date, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding Principal Amount.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance and Agreement, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note, or to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, or during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note, as hereby authorized, shall be executed and delivered as the Ordinance and the Agreement provide.

Pursuant to the Agreement, the Registered Owner has agreed to construct the Project and

to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of the Principal Amount of this Note shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to the Agreement, including but limited to Section 15.02 thereof, the City has reserved the right to suspend or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; and that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, ____.

Mayor

(SEAL)

Attest:

City Clerk

**CERTIFICATE
OF
AUTHENTICATION**

Registrar
and Paying Agent
Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Wm. Wrigley Jr. Company Redevelopment Project), Taxable Series [insert year of issuance] (Phase [One] [Two] [Three]), of the City of Chicago, Cook County, Illinois.

Comptroller

Date:

PAYMENT RECORD

<u>Date of Payment</u>	<u>(a) Payment Of Deferred Payment Amounts</u>	<u>(b) Payment Of Accrued Interest</u>	<u>(c) Payment Of Principal</u>	<u>Total Payment: (a)+(b)+(c)</u>
------------------------	--	--	---------------------------------	-----------------------------------

EXHIBIT N

Public Benefits Programs

The Developer shall, within the overall time period set forth in Section 8.20 of the Agreement (except for item 1 below, which shall have been paid to the City pursuant to Section 5.17 of the Agreement), undertake and complete all of the following public benefits programs:

1. Not later than the Closing Date, donate \$75,000 to After School Matters, an Illinois not-for-profit corporation, to support the City's KidStart program.
2. Not later than 45 calendar days following the City's request for payment and its substantiation of the City's actual or projected costs equaling or exceeding the amount requested, give an amount not to exceed \$150,000 to underwrite the City's preparation of an engineering study of the renovation of that railroad bridge ("Bridge") which spans the North Branch Canal of the North Branch of the Chicago River from, on the south, the northernmost tip of Goose Island to, on the north, the opposite bank of the river due north of said tip. The completed study shall be approved by the City, the Developer and the owner of the Bridge. The City's request for funds will be made not later than the issuance date of a Final Completion Certificate.
3. Not later than 45 calendar days following the City's request for payment and its substantiation of the City's actual or projected costs equaling or exceeding the amount requested, give an amount not to exceed \$200,000 to underwrite the City's construction of a public pedestrian pathway on or attached to the Bridge. The City's request for funds will be made not later than the issuance date of a Final Completion Certificate.
4. Prior to the issuance of a Final Completion Certificate, implement and construct, for a hard cost not to exceed \$625,000, a landscaping plan mutually agreeable to the City and Developer for that parcel of land ("Parcel") situated approximately between the northeast corner of the Property and the southern edge of the Bridge and with a western boundary being the North Branch of the Chicago River and an eastern boundary being the north/south rail bed adjacent thereto (PIN 17-05-200-002). The parties preliminarily agree that the landscaping plan for the Parcel will consist of public pedestrian security and convenience improvements including, but not limited to, land clearing, grading, electric service, lighting, landscaping, and pathways or other walkways. Developer will gain legal access to the Parcel pursuant to a license from the City once the City gains access to the Parcel from its owner.
5. For a period of five years commencing upon the completion of the work set forth in Item 4 above, maintain the landscaped Parcel at its own cost. The City will indemnify or otherwise protect Developer from liability arising in connection with the Parcel from this obligation to the extent not caused by Developer's negligence or intentional act or failure to act. Developer will gain legal access to the Parcel for the maintenance period pursuant to a license from the City.

Items 1, 2 and 3 above shall be paid by the Developer in a business check or other payment method acceptable to the City and made payable to the order of: for Item 1, "After School Matters," and for Items 2 and 3, the "City of Chicago."

Items 2, 3 and 4 above are, solely to the extent actually spent or incurred by the Developer, deemed to be TIF-Funded Improvements and shall be shown on Exhibit C hereto.

If the total funds expended by Developer on Items 2, 3 or 4 above is less than the maximum amounts shown thereunder, the difference may be re-allocated by Developer to other TIF-eligible public improvements connected to the Project, subject to DPD's prior approval. To the extent that there are no other TIF-eligible public improvements available that connect to the Project, then the maximum amount of City Funds to be provided to Developer (as shown in more detail in Section 4.03 of the Agreement) would be reduced by the unspent difference.

On a semi-annual basis commencing the half-year of the Closing Date and running through and including the half-year following the issuance of the Final Completion Certificate, the Developer shall provide the City a status report describing in detail the Developer's progress on the public benefits programs.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY: _____

ITS: _____

EXHIBIT O

FORM OF SUBORDINATION AGREEMENT

[not likely to be needed]

[not included in ordinance packet]

EXHIBIT P

Form of Payment and Performance Bond

[see attached]



Performance Bond

AIA Document A312 - Electronic Format

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES: CONSULTATION WITH AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION. AUTHENTICATION OF THIS ELECTRONICALLY DRAFTED AIA DOCUMENT MAY BE MADE BY USING AIA DOCUMENT D401.

Any singular reference to Contract, Surety, Owner or Other Party Shall be considered plural where applicable.

CONTRACTOR *(Name and Address):*

SURETY *(Name and Principal Place of Business)*

OWNER *(Name and Address):*

CONSTRUCTION CONTRACT

Date:

Amount:

Description *(Name and Location):*

BOND

Date *(Not earlier than Construction Contract Date):*

Amount:

Modifications to this Bond:

CONTRACTOR AS PRINCIPAL

Company.

(Corporate Seal)

None

SURETY

Company:

See Page

(Corporate Seal)

Signature: _____

Name and Title:

Signature: _____

Name and Title:

(Any additional signatures appear on the last page)

(FOR INFORMATION ONLY - Name, Address and Telephone)

AGENT or BROKER:

OWNER'S REPRESENTATIVE *(Architect, Engineer or other party):*

AIA DOCUMENT A312 • PERFORMANCE BOND AND PAYMENT BOND • DECEMBER 1984 ED. • AIA © THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVENUE, N.W., WASHINGTON, D.C., 20006-5292 • THIRD PRINTING • MARCH 1987. WARNING: Unlicensed photocopying violates U.S. copyright laws and is subject to legal prosecution. This document was electronically produced with permission of the AIA and can be reproduced without violation until the date of expiration as noted below.

Electronic Format A312-1984

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1 The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except to participate in conferences as provided in Subparagraph 3.1.

3 If there is no Owner Default, the Surety's obligation under this Bond shall arise after:

3.1 The Owner has notified the Contractor and the Surety at its address described in Paragraph 10 below that the Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with the Contractor and the Surety to be held not later than fifteen days after receipt of such notice to discuss methods of performing the Construction Contract. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default; and

3.2 The Owner has declared a Contractor Default and formally terminated the Contractor's right to complete the contract. Such Contractor Default shall not be declared earlier than twenty days after the Contractor and the Surety have received notice as provided in Sub-paragraph 3.1; and

3.3 The Owner has agreed to pay the Balance of the Contract Price to the Surety in accordance with the terms of the Construction Contract or to a contractor selected to perform the Construction Contract in accordance with the terms of the contract with the Owner.

4 When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

4.1 Arrange for the Contractor, with consent of the Owner, to perform and complete the Construction Contract; or

4.2 Undertake to perform and complete the Construction Contract itself, through its agents or through independent contractors; or

4.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for

execution by the Owner and the contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 6 in excess of the Balance of the Contract Price incurred by the Owner resulting from the Contractor's default; or

4.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

.1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, tender payment therefor to the Owner; or

.2 Deny liability in whole or in part and notify the Owner citing reasons therefor.

5 If the Surety does not proceed as provided in Paragraph 4 with reasonable promptness, the Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Subparagraph 4.4, and the Owner refuses the payment tendered or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

6 After the Owner has terminated the Contractor's right to complete the Construction Contract, and if the Surety elects to act under Subparagraph 4.1, 4.2, or 4.3 above, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. To the limit of the amount of this Bond, but subject to commitment by the Owner of the Balance of the Contract Price to mitigation of costs and damages on the Construction Contract, the Surety is obligated without duplication for:

6.1 The responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;

6.2 Additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 4; and

6.3 Liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages

caused by delayed performance or non-performance of the Contractor.

7 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators or successors.

8 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

9 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

10 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page.

11 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be

deemed deleted here from and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

12 DEFINITIONS

12.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract

12.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

12.3 Contractor Default: Failure of the Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Construction Contract.

12.4 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL
Company:

(Corporate Seal)

SURETY
Company:

(Corporate Seal)

Signature: _____
Name and Title:

Signature: _____
Name and Title:

1 The Contractor and the Surety, jointly and severally bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference.

2 With respect to the Owner, this obligation shall be null and void if the Contractor:

2.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and

2.2 Defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity whose claim, demand, lien or suit is for the payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, provided the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 12) of any claims, demands, liens or suits and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety, and provided there is no Owner Default.

3 With respect to Claimants, this obligation shall be null and void if the Contractor promptly makes payment, directly or indirectly, for all sums due.

4 The Surety shall have no obligation to Claimants under this Bond until:

4.1 Claimants who are employed by or have a direct contract with the Contractor have given notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.

4.2 Claimants who do not have a direct contract with the Contractor:

.1 Have furnished written notice to the Contractor and sent a copy, or notice thereof, to the Owner, within 90 days after having last performed labor or last furnished materials or equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials were furnished or supplied or for whom the labor was done or performed; and

.2 Have either received a rejection in whole or in part from the Contractor, or not received within 30 days of furnishing the above notice any communication from the Contractor by which the Contractor has indicated the claim will be

paid directly or indirectly; and

.3 Not having been paid within the above 30 days, have sent a written notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to the Contractor.

5 If a notice required by Paragraph 4 is given by the Owner to the Contractor or to the Surety, that is sufficient compliance.

6 When the Claimant has satisfied the conditions of Paragraph 4, the Surety shall promptly and at the Surety's expense take the following actions:

6.1 Send an answer to the Claimant, with a copy to the Owner, within 45 days after receipt of the claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed.

6.2 Pay or arrange for payment of any undisputed amounts.

7 The Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

8 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any Construction Performance Bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and the Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

9 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.

10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

11 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which the work or part of the work is located or after the expiration of one year from the

date (1) on which the Claimant gave the notice required by Subparagraph 4.1 or Clause 4.2.3, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable

12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page. Actual receipt of notice by Surety, the Owner or the Contractor, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.

13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

14 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL
Company: _____ (Corporate Seal)

SURETY
Company: _____ (Corporate Seal)

Signature: _____
Name and Title:

Signature: _____
Name and Title:

15 DEFINITIONS

15.1 Claimant: An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

15.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

15.3 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

EXHIBIT Q

Sample Flow of Funds Worksheet

[see attached]

EXHIBIT R

Form of Phase Commencement Letter

[prepare on DPD letterhead]

[date]

Wm. Wrigley Jr. Company
410 N. Michigan Ave.
Chicago, IL 60611
Attention: _____

Re: Approval to Commence Construction of Phase XXX at the Wrigley Innovation Center at 1132 W. Blackhawk Street, Chicago, IL, under the Terms and Conditions of that Redevelopment Agreement between The City of Chicago and the Wm. Wrigley Jr. Company

Ladies and Gentlemen:

Pursuant to that certain Redevelopment Agreement ("Agreement") dated _____ by and between The City of Chicago ("City") and the Wm. Wrigley Jr. Company ("Developer"), Developer has requested that the City approve Developer's commencement of Phase _____ of the Project (as defined in the Agreement). In support thereof, Developer has submitted a number of documents to the Department of Planning and Development ("DPD").

DPD has reviewed the following documents and information supplied to it by Developer (all section references and capitalized terms below are set forth in or defined in the Agreement):

- (a) a Project Budget for the Phase in accordance with the provisions of Section 3.03;
- (b) the Scope Drawings for the Phase in accordance with the provisions of Section 3.02;
- (c) evidence of the existence of all other necessary approvals and permits required by any state, federal or local statute, ordinance or regulation for the Phase;
- (d) evidence that the Developer has Equity and/or Lender Financing in the amounts set forth in Section 4.01 sufficient to complete the Phase and satisfy its obligations under the Agreement;
- (e) certificates of insurance evidencing that the Developer, at its own expense, has insured the Property in accordance with Section 12;

(f) evidence of Prior Expenditures, if any, pertaining to the Phase in accordance with the provisions of Section 4.05(a);

(g) documentation with respect to current employment matters on the prior and pending Phases of the Project, the MBE/WBE utilization plan for the pending Phase of the Project, and a progress report containing all current information, if any, requested under Section 8.07;

(h) except as already provided to the City in connection with a prior Phase, provided (and provided to the Corporation Counsel for the City) a description of all pending or threatened litigation or administrative proceedings involving the Developer that will or may affect the ability of the Developer to complete the pending Phase of the Project in accordance with the Agreement, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance;

(i) except as already provided to the City in connection with a prior Phase, copies of all executed ground and operating leases and letters of intent relating to the Project, if any, a copy of the form lease(s), and a summary aggregating total tenant occupancy figures and base rent payments;

(j) a copy of the Construction Contract for the pending Phase of the Project pursuant to the requirements of Section 6.01; and

(k) evidence that construction on the pending Phase has not yet commenced.

Having reviewed all of the above documents and information and found it sufficient, I declare that the City is satisfied that the Developer is not in default under the Agreement with respect to Phase _____ of the Project.

I now direct that, within five business days of the date of this letter, Developer execute and then record, at its own expense, the enclosed Covenant to Develop the Property with the Office of the Recorder of Deeds of Cook County ("Recorder's Office"), and provide my office within five business days thereafter a photocopy of the first page of said covenant bearing the stamp of the Recorder's Office. [Developer should note that any failure to satisfy the steps outlined in the prior sentence shall be deemed to result in the City's withdrawal of the City's favorable determination and authority for the Developer to proceed with construction of Phase _____ pursuant to the Agreement.]

Please contact my office at once if you have any questions about this letter.

Yours very truly,

Commissioner
Department of Planning and Development

EXHIBIT S

Form of Covenant to Develop

This covenant was prepared by
and after recording return to:
Adam R. Walker, Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

COVENANT TO DEVELOP PROPERTY

The Wm. Wrigley Jr. Company, a Delaware corporation ("Covenantor"), having its principal office at 410 N. Michigan Avenue, Chicago, Illinois 60611, for and in consideration of Ten and no/100 Dollars (\$10.00) and other good and valuable consideration, including the undertakings of the City of Chicago ("City") under that certain Redevelopment Agreement ("Redevelopment Agreement") dated _____ by and between the City and the Covenantor, represents and warrants for and on behalf of itself and its successors, assigns, grantees and lessees that it is the sole owner in fee simple of the real property ("Property") commonly known as 1152 West Blackhawk Street, Chicago, Illinois, and legally described as Exhibit 1 attached hereto, and covenants as hereinafter provided.

Covenantor hereby covenants (the "Covenant") as follows to the City, which Covenant touches and concerns, and shall be deemed to run with, the Property in perpetuity unless and until sooner terminated by a release provided by the City in conjunction with a Completion Certificate stating that the Covenant has been satisfied and recorded with the Office of the Recorder of Deeds of Cook County ("Recorder's Office") in accordance with the Redevelopment Agreement:

1) Covenantor shall construct on the Property, pursuant to and in accordance with the terms and conditions set forth in the Redevelopment Agreement, the following improvements and fixtures:

[describe components of the Phase in detail]

which improvements and fixtures are deemed to be Phase _____ of the Project as defined in the Redevelopment Agreement.

2) The construction of Phase _____ shall commence after the date of this Covenant, shall be diligently prosecuted thereafter and shall be completed within the time period set forth in the Redevelopment Agreement.

IN WITNESS WHEREOF, Covenantor has caused this instrument to be duly executed in its name and on its behalf by a representative of Covenantor duly so authorized, on

_____, _____.

Wm. Wrigley Jr. Company, a Delaware corporation

[name]

[title]

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 _____, personally known to me to be the _____ of the Wm. Wrigley Jr. Company, a Delaware corporation ("Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that s/he signed and delivered the said instrument, pursuant to authority given him/her by the Board of Directors of the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ____ day of _____, _____.

Notary Public

My Commission Expires _____

(SEAL)

Exhibit 1 to Covenant

[attach legal description of entire 1132 W. Blackhawk property and its PINs]

EXHIBIT T

Form of Completion Certificate

[prepare on DPD letterhead]

[date]

Wm. Wrigley Jr. Company
410 N. Michigan Ave.
Chicago, IL 60611
Attention: _____

Re: Completion Certificate for Phase XXX at the Wrigley Innovation Center at 1132 W. Blackhawk Street, Chicago, IL, under the Terms and Conditions of that Redevelopment Agreement between The City of Chicago and the Wm. Wrigley Jr. Company

Ladies and Gentlemen:

Pursuant to that certain Redevelopment Agreement ("Agreement") dated _____ by and between the City of Chicago ("City") and the Wm. Wrigley Jr. Company ("Developer"), Developer has requested that the City approve Developer's completion of Phase _____ of the Project, issue the corresponding City Note and release the Covenant to Develop Property (all as defined in the Agreement).

The City's Department of Planning and Development ("DPD") has reviewed each of the following, as set forth in Section 7 of the Agreement (all section references and capitalized terms below are set forth in or defined in the Agreement):

Evidence of the completion of the Phase in accordance with Recital D hereof and the Plans and Specifications pertaining to that Phase, and within the time period set forth in Section 3.01 hereof pertaining to that Phase (subject to force majeure as set forth in Section 18.17 hereof)

Certificate of occupancy from the City Building Department or such other evidence of compliance with building permit requirements

Evidence that the Developer has met or exceeded all MBE/WBE requirements set forth in this Agreement OR, if applicable, submitted a plan to DPD for meeting the MBE/WBE requirements of this Agreement in the next Phase if those requirements have not been met during the current Phase

Evidence that the amount of TIF-Eligible Improvements made or incurred for the Phase equals or exceeds the issuance value proposed for the corresponding Note

Evidence that the amount of Equity and/or Lender Financing expended for the Phase equals or exceeds the issuance value proposed for the corresponding Note

Evidence that the Developer met or exceeded all prevailing wage requirements of this Agreement

An affidavit signed by Developer certifying the meeting or exceeding of the job creation or retention requirements of this Agreement that pertain to the Phase and are applicable to the Certificate issuance

Evidence that Developer met or exceeded all City residency hiring requirements set forth in this Agreement for entire Project OR, if applicable, paid the City the full monetary penalty for failure to meet the City residency requirements of this Agreement if those requirements have not been met when measured across all completed Phases

Fulfilled all progress reports requirements set forth in Section 8.07 hereof for the Phase

Fulfilled each part of the public benefits programs requirements of Exhibit N, if any, that was to have been fulfilled on or before the date of this Certificate

Evidence that the Developer's representations and warranties set forth this Agreement are true and correct and the Developer is in compliance with all covenants contained herein

Evidence that the 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

Evidence that 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

Having reviewed all of the above and found it sufficient and in compliance with the Agreement, I hereby declare this letter to be the Completion Certificate for Phase _____ of the Project.

Having reviewed the costs of the TIF-Funded Improvements incurred by Developer for this Phase, and undertaken the calculations set forth in Section 4.03 of the Agreement, I recommended that the City issue a City Note corresponding to the completion of this Phase _____ in the amount set forth thereon. The fully-executed City Note is enclosed herewith.

Within five business days of the date of this letter, at its own expense, the City shall record with the Office of the Recorder of Deeds of Cook County a release, in the form attached as Exhibit 1 hereto, of that Covenant to Develop Property that is currently recorded against the Property.

Please contact my office at once if you have any questions about this letter.

Yours very truly,

Commissioner
Department of Planning and Development

[Enclose relevant fully-executed City Note]

Exhibit 1 to Completion Certificate

Form of Release

This instrument prepared by
and when recorded return to:

Adam R. Walker
Assistant Corporation Counsel
City of Chicago
Office of Corporation Counsel
121 North LaSalle Street -- Room 600
Chicago, IL 60602

RELEASE OF COVENANT

THE CITY OF CHICAGO, an Illinois municipal corporation (the "City"), acting by and through its Department of Planning and Development, 121 North LaSalle Street -- Room 1000, Chicago, Illinois 60602, as covenantee under that certain Covenant to Develop Property dated _____ (the "Covenant") and recorded on _____ as Document No. _____ in the Office of the Cook County Recorder of Deeds made by the Wm. Wrigley Jr. Company, a Delaware corporation, as covenantor, for the benefit of the City, as covenantee, encumbering the real estate described on Exhibit A attached hereto (the "Property"), for good and valuable consideration, including the satisfaction of the Covenant, the receipt of which is hereby acknowledged, does hereby release and discharge the Property from all covenants, liens, mortgages, assignments, security interests and superior title created by and existing under the Covenant.

IN WITNESS WHEREOF, the City has executed this Release of Covenant by its duly authorized representative this ___ day of _____, 20__.

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

By: _____

Name: _____

Title: _____

STATE OF ILLINOIS)

)ss.

COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that _____, _____ Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), 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 (s)he signed, sealed and delivered the said instrument as his/her free and voluntary act, and as the free and voluntary act of said City for the uses and purposes therein set forth.

Given under my hand and official seal this ____ day of _____, 20__.

Notary Public

My commission expires _____

Exhibit A to Release

[insert legal description and PINs here]