

## Contract Summary Sheet

**Contract (PO) Number:** 16939

**Specification Number:** 63679

**Name of Contractor:** RPA LIMITED PARTNERSHIP

**City Department:** PLANNING & DEVELOPMENT

**Title of Contract:** Rehab: 3123-27 W. Douglas Blvd

**Term of Contract: Start Date:** 7/1/2007

**End Date:** 12/31/2023

**Dollar Amount of Contract (or maximum compensation if a Term Agreement) (DUR):**

\$2,000,000.00

**Brief Description of Work:** Rehab: 3123-27 W. Douglas Blvd

**Procurement Services Contract Area:** COMPTROLLER-OTHER

**Vendor Number:** 50626023

**Submission Date:** 2/12/08

- Term: Not to exceed 32 years, or a term acceptable to the Commissioner.
- Source: Proceeds derived from the transfer of donation tax credits allocated by the City and I.H.D.A., or another source acceptable to the Commissioner.
- Interest: 6.00% per annum or such other rate of interest as is acceptable to the Commissioner.
- Security: Sixth mortgage on the Property in favor of R.S.S.I.
8. Amount: Approximately \$6,300,000 ("Bridge Loan").
- Term: Not to exceed 36 months, or a term acceptable to the Commissioner.
- Source: Harris N.A., or another source acceptable to the Commissioner.
- Interest: Variable rate based on prime rate or such other rate of interest as is acceptable to the Commissioner.
- Security: Assignment of general and limited partner interests.

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AUTHORIZATION FOR EXECUTION OF LOAN AGREEMENT WITH RPA LIMITED PARTNERSHIP, ISSUANCE OF CITY OF CHICAGO MULTI-FAMILY HOUSING REVENUE BONDS (RENAISSANCE PLACE APARTMENTS), APPROVAL FOR SALE OF CITY-OWNED PROPERTY AND WAIVER OF CERTAIN PERMIT FEES FOR CONSTRUCTION AND EQUIPPING OF AFFORDABLE HOUSING AND CREATION OF OPEN SPACE WITHIN SOUTH LAWNSDALE AREA.

The Committee on Finance submitted the following report:

CHICAGO, June 13, 2007.

*To the President and Members of the City Council:*

Your Committee on Finance, having had under consideration an ordinance authorizing the issuance of City of Chicago variable rate demand Multi-Family Housing Revenue Bonds (Renaissance Place Apartments Project) and to enter into and execute a loan agreement and redevelopment agreement with RPA, L.P., amount of bonds not to exceed \$8,000,000, amount of loan not to exceed \$2,160,000, 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.

Alderman Edward M. Burke abstained from voting pursuant to Rule 14 of the City Council's Rules of Order and Procedure.

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 Flores, Fioretti, Dowell, Preckwinkle, Hairston, Lyle, Jackson, Harris, Beale, Pope, Balcer, Cárdenas, Olivo, Foulkes, Thompson, Thomas, Lane, Rugai, Cochran, Brookins, Muñoz, Zalewski, Dixon, Solis, Ocasio, Burnett, E. Smith, Carothers, Reboyras, Suarez, Waguespack, Mell, Austin, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Reilly, Daley, Tunney, Levar, Shiller, Schalter, M. Smith, Moore, Stone -- 49.

*Nays* -- None.

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

Alderman Burke invoked Rule 14 of the City Council's Rules of Order and procedure, disclosing that he had represented parties to this ordinance in previous and unrelated matters.

The following is said ordinance as passed:

*Recitals.*

A. The City of Chicago (the "City") is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution") having a population in excess of twenty-five thousand (25,000) and is a home rule unit of local government under Section 6(a) of Article VII of the Constitution.

B. As a home rule unit and pursuant to the Constitution, the City is authorized and empowered to issue multi-family housing revenue bonds for the purpose of financing the cost of acquiring, constructing, rehabilitating and equipping an affordable multi-family housing facility for low- and moderate-income families located in the City.

C. By this ordinance, the City Council of the City ("City Council") has determined that it is necessary and in the best interests of the City to provide financing to RPA Limited Partnership, an Illinois limited partnership (the "Borrower"). It is anticipated that, prior to the execution of the documents authorized herein, the general partner of the Borrower will be L.C.D.C. Safeway II, L.L.C., an Illinois limited liability company (the "General Partner" and, together with the Borrower, the "Developer"), the members of which are Lawndale Christian Development Corporation, an Illinois not-for-profit corporation ("L.C.D.C."), and Douglas Boulevard II, L.L.C., an Illinois limited liability company (the members of which are Douglas Boulevard LRP, Inc., an Illinois corporation, and John W. Bonds, Jr., an individual). The limited partners of the Borrower will consist of various investors.

D. The Borrower desires that the City issue, sell and deliver the City's multi-family housing revenue bonds (Renaissance Place Apartments) in an aggregate principal amount not to exceed Eight Million Dollars (\$8,000,000) (the "Bonds"), to be issued in one (1) or more series as herein provided under the terms and conditions of this ordinance and secured by a trust indenture (the "Indenture") from the City to a trustee designated by the Executive Officer (as defined in Section 7 hereof) as provided herein (the "Trustee"), and lend the proceeds therefrom to the Borrower, to enable it to pay a portion of the costs of the acquisition, construction, rehabilitation and equipping of two (2) related low-income housing development projects consisting of three (3) buildings containing an aggregate of approximately fifty-four (54) residential dwelling units located generally at 3123 -- 3127 West Douglas Boulevard, 3131 West Douglas, Boulevard, and 3700 -- 3706 West Douglas Boulevard/1336 -- 1342 South Lawndale Avenue (collectively, the "General Partner Parcels"), and a vacant lot and related green space located at 3708 West Douglas Boulevard and owned by the City (the "City Parcel" and, together with the General Partner Parcels, the "Property") and pay a portion of the costs of issuance and other costs in

connection therewith (the "Project"). The legal descriptions of the City Parcel and the General Partner Parcels are attached hereto as Exhibits F and G, respectively.

E. The Bonds issued pursuant to this ordinance, together with interest thereon, shall be limited obligations of the City secured under an Indenture for the benefit of the owners of the Bonds. The Bonds will be payable from the loan payments received by the City pursuant to a loan agreement (the "Loan Agreement") between the City and the Borrower, pursuant to which the City will lend the proceeds of the Bonds to the Borrower (a "Loan") to finance a portion of the cost of the Project in return for loan payments sufficient to pay, when due, the principal of, redemption premium, if any, and interest on the Bonds, and from amounts paid by such credit provider (the "Bank") as shall be selected by the Executive Officer (as herein defined) pursuant to the Bank's irrevocable transferable direct pay letter of credit (the "Letter of Credit"), securing the Bonds.

F. The Bonds and the obligation to pay interest thereon do not now and shall never constitute an indebtedness of or an obligation of the City, the State of Illinois or any political subdivision thereof, within the purview of any Constitutional limitation or statutory provision, or a charge against the general credit or taxing powers of any of them. No owner of the Bonds shall have the right to compel the taxing power of the City, the State of Illinois or any political subdivision thereof to pay any principal installment of, premium, if any, or interest on the Bonds.

G. In order that interest on the Bonds be excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), the Borrower must comply with certain restrictions on the use and occupancy of the Project, as set forth in a Land-Use Restriction Agreement to be entered into among the Borrower, the Trustee and the City (the "Land-Use Restriction Agreement").

H. There has been presented to this meeting of the City Council forms of the following documents in connection with the Bonds:

- (1) the form of Indenture, which includes a form of the Bonds to be issued by the City, attached as Exhibit B hereto;
- (2) the form of Loan Agreement, attached as Exhibit C hereto; and
- (3) the form of Land-Use Restriction Agreement, attached as Exhibit D hereto.

I. It is anticipated that the United States Department of Housing and Urban Development ("H.U.D.") will make available to the City certain federal grant funds for the costs of the Project (the "U.F.G. Funds") pursuant to an Up-Front Grant Agreement ("U.G.A."), dated January 11, 2006 by and between the City and H.U.D.. It is anticipated that the City will make the U.F.G. Funds, in an amount of

approximately Two Million One Hundred Sixty Thousand Dollars (\$2,160,000), available through a loan or a grant to the General Partner, L.C.D.C. or the Borrower, in the discretion of the Commissioner (the "D.O.H. Commissioner") of the Department of Housing ("D.O.H.").

J. The Chicago Low-Income Housing Trust Fund, an Illinois not-for-profit corporation (the "Trust Fund") which was established by the City, has established the Affordable Rents for Chicago program and a Long-Term Operating Support program (collectively, the "Program") under which the Trust Fund will extend to owners and developers of multi-unit rental housing non-interest bearing loans or grants which may be secured by mortgages to the Trust Fund to reduce rents in such units during the terms of such loans or grants.

K. The Trust Fund may make a loan or grant to the General Partner, L.C.D.C. or the Borrower, in the discretion of the D.O.H. Commissioner, in an amount of approximately Seven Hundred Thousand Dollars (\$700,000) from Program funds (the "ARC/LTOS Funds"), which loan or grant may be secured by a mortgage junior to the mortgage securing the Borrower's obligations pursuant to a reimbursement agreement (the "Reimbursement Agreement") between the Bank and the Borrower, but the making of such loan or grant is not a condition to the issuing of the Bonds.

L. The City has established the Community Development Commission ("Commission") to, among other things, designate redevelopment areas and approve redevelopment plans, and recommend the sale of parcels located in redevelopment areas, subject to the approval of the City Council.

M. Pursuant to an ordinance adopted by the City Council on May 17, 2000, and published at pages 30775 through 30925 in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "Journal") of such date, a certain redevelopment plan and project (the "Redevelopment Plan" for the Midwest Redevelopment Project Area (the "Redevelopment Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1, et seq.)(the "Act").

N. Pursuant to an ordinance adopted by the City Council on May 17, 2000, and published at pages 30926 through 30939 in the *Journal* of such date, the Redevelopment Area was designated as a redevelopment project area pursuant to the Act.

O. Pursuant to an ordinance (the "T.I.F. Ordinance") adopted by the City Council on May 17, 2000, and published at pages 30940 through 30953 in 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) in the Redevelopment Area incurred pursuant to the Redevelopment Plan.

P. The City is the owner of the City Parcel described on Exhibit F attached hereto, and which is located in the Redevelopment Area.

Q. The Borrower has proposed to purchase the City Parcel for the sum of One and no/100 Dollars (\$1.00).

R. By Resolution Number 07-CDC-21, adopted on March 13, 2007 (the "C.D.C. Resolution"), the Commission authorized the Department of Planning and Development ("D.P.D.") to advertise its intention to enter into a negotiated sale with the Borrower for the redevelopment of the City Parcel; approved D.P.D.'s request to advertise for alternative proposals, and recommended that City Council approve the sale of the City Parcel to the Borrower if no alternative proposals were received without further Commission action.

S. D.P.D. published the notice on three (3) separate dates, namely on March 16, 2007, March 21, 2007 and March 26, 2007, requested alternative proposals for the redevelopment of the City Parcel and provided reasonable opportunity for other persons to submit alternative bids or proposals.

T. No alternative proposals were received by the deadline indicated in the aforesaid notice.

U. The Project is necessary for the redevelopment of the Redevelopment Area.

V. The Developer will be obligated to undertake the Project in accordance with the terms and conditions of a proposed redevelopment agreement to be executed by the Developer and the City, with such Project to be financed in part by certain pledged incremental taxes deposited from time to time in the Special Tax Allocation Fund for the Area (as defined in the T.I.F. Ordinance; herein defined as the "Fund") pursuant to Section 5/11-74.4-8(b) of the T.I.F. Act ("Incremental Taxes").

W. Pursuant to the CDC Resolution, the Commission has designated that the Developer be designated as developer for the Project and that D.P.D. and D.O.H. be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Developer for the Project (the "Redevelopment Agreement"), substantially in the form attached hereto as Exhibit E; now, therefore,

*Be It Ordained by the City Council of the City of Chicago, as follows:*

SECTION 1. Incorporation Of Recitals. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. Forms Of Documents. The forms of the Bonds, the Indenture, the Loan Agreement, the Land-Use Restriction Agreement and the Redevelopment Agreement are hereby approved.

SECTION 3. The Loan. The making of the Loan to the Borrower pursuant to the terms of the Loan Agreement by the City and the issuance of the Bonds by the City is hereby authorized.

SECTION 4. The Bonds. The issuance of the Bonds by the City in the principal amount of not to exceed Eight Million Dollars (\$8,000,000) from time to time and in one or more series is hereby authorized, subject to the provisions of this ordinance and the Indenture hereinafter authorized.

The Bonds shall contain a provision that they are issued under authority of the Constitution and this ordinance. The Bonds shall mature not later than thirty-five (35) years from the first day of the month immediately succeeding the date of issue of the Bonds and shall bear interest at such rate or rates as shall be determined from time to time pursuant to the Indenture, which interest shall be payable on the interest payment dates set forth in the Indenture. The Bonds shall be dated, shall be subject to redemption prior to maturity, shall be payable in such places and in such manner and shall have such other details and provisions as prescribed by the Indenture and form of the Bonds therein. The interest rate on the Bonds and the method of determining such interest rate from time to time is subject to adjustment in accordance with the terms of the Indenture, and no such interest rate shall exceed the rate of eighteen percent (18%).

The provisions for execution, signatures, authentication, payment and prepayment, with respect to the Bonds, shall be as set forth in the Indenture and in the form of the Bonds therein.

SECTION 5. Assignment Of Rights. The right, title and interest of the City (except for certain rights to notice, involvement in certain discussions related to the Bonds, indemnification, and reimbursement) in, to and under the Loan Agreement, and the revenues to be derived by the City thereunder will be assigned to the Trustee under the Indenture. The payment of the principal of and interest on the Bonds and the purchase price therefor will be secured by a direct pay letter of credit in favor of the Trustee.

SECTION 6. Limited Obligations. The Bonds, when issued and outstanding, will be a limited obligation of the City, payable solely as provided in the Indenture. The Bonds and the interest thereon shall never constitute a debt or general obligation or a pledge of the faith, the credit or the taxing power of the City within the meaning of any Constitutional or statutory provision of the State of Illinois. The City shall not be liable on the Bonds, nor shall the Bonds be payable out of any funds of the City other than those pledged therefor pursuant to the terms of the Indenture hereinafter described.

SECTION 7. The Indenture. The execution and delivery of the Indenture securing the Bonds, substantially in the form attached hereto as Exhibit B, is hereby authorized. Each of (i) the Mayor of the City (the "Mayor"), (ii) the Chief Financial

Officer of the City (as defined below), or (iii) any other officer designated in writing by the Mayor (the Mayor, the Chief Financial Officer or any such other officer being hereinafter referred to as the "Executive Officer") is hereby authorized to execute, acknowledge and deliver the Indenture with such changes, insertions and omissions as may be approved by the Executive Officer. The Executive Officer is hereby authorized to make such changes, insertions and omissions to the form of Indenture attached hereto as Exhibit B as shall be determined by the Executive Officer to be necessary and appropriate to provide for such additional methods of adjusting and determining the rate or rates of interest on the Bonds from time to time as shall not exceed or be inconsistent with any of the authorizations granted herein. The execution of the Indenture by the Executive Officer shall be conclusive evidence of such approval.

As used herein, the term "Chief Financial Officer" shall mean the Chief Financial Officer of the City appointed by the Mayor, or, if there is no such officer then holding said office, the City Comptroller.

SECTION 8. The Loan Agreement. The execution and delivery of the Loan Agreement relating to the Bonds, substantially in the form attached hereto as Exhibit C, is hereby authorized. The Executive Officer is hereby authorized to execute, acknowledge and deliver the Loan Agreement with such changes, insertions and omissions as may be approved by the Executive Officer, including all such changes, insertions and omissions as shall be necessary to conform the terms of the Loan Agreement to the terms of the Indenture. The execution of the Loan Agreement by the Executive Officer shall be conclusive evidence of such approval.

SECTION 9. Sale And Delivery Of Bonds. The Bonds shall be sold and delivered to, or at the direction of, one or more underwriters (the "Underwriters") to be selected by the Executive Officer, subject to the terms and conditions of a Bond Purchase Agreement among the City, the Borrower and the Underwriters for the Bonds (the "Purchase Agreement"), or, alternatively, are hereby authorized to be sold and delivered directly to one (1) or more investors to be selected by the Executive Officer subject to the terms and conditions of the Purchase Agreement. The Executive Officer is authorized to execute and deliver on behalf of the City, with the concurrence of the Chairman of the Committee on Finance of the City Council, the Purchase Agreement in substantially the form of bond purchase agreements used in previous sales of bonds pursuant to programs similar to the Bonds, with appropriate revisions to reflect the terms and provisions of the Bonds and the fact that the Bonds may be sold to certain institutional investors, and with such other revisions in text as the Executive Officer shall determine are necessary or desirable in connection with the sale of the Bonds. The execution of the Purchase Agreement by the Executive Officer shall be deemed conclusive evidence of the approval of the City Council to the terms provided in the Purchase Agreement. The distribution of the Preliminary Official Statement, if any, and the Official Statement or any other placement document to prospective purchasers of the Bonds and the use thereof by the Underwriters in connection with the offering and sale of the Bonds are hereby authorized, provided

that the City shall not be responsible for the content of any Preliminary Official Statement or of the Official Statement or any other placement document, except as specifically provided in the Purchase Agreement executed by the Executive Officer, and provided further that, if the Bonds are sold directly to institutional investors, the City may forego the use of an Official Statement, but only if such institutional investors execute and deliver to the City "sophisticated investor" letters satisfactory to the Executive Officer. The compensation paid to the Underwriters in connection with the sale of the Bonds shall not exceed three percent (3%) of the aggregate principal amount of the Bonds. In connection with the offer and delivery of the Bonds, the Executive Officer, and such other officers of the City as may be necessary, are authorized to execute and deliver such instruments and documents as may be necessary to implement the transaction and to effect the issuance and delivery of the Bonds. Any limitation on the amount of Bonds issued pursuant to this ordinance as set forth herein shall be exclusive of any original issue discount or premium.

SECTION 10. Notification Of Sale. Subsequent to the sale of the Bonds, the Executive Officer shall file in the Office of the City Clerk a Notification of Sale for the Bonds directed to the City Council setting forth (i) the aggregate original principal amount of, maturity schedule, redemption provisions for and nature of the Bonds sold, (ii) the extent of any tender rights to be granted to the holder of the Bonds, including, without limitation, the right of the holder to tender the Bonds in exchange for one or more mortgage certificates held by the Trustee under the Indenture, (iii) the identity of the Trustee, (iv) the interest rates on the Bonds, (v) the identity of any Underwriters or institutional investors who purchase the Bonds directly from the City or through the Underwriters, and (vi) the compensation paid to the Underwriters in connection with such sale. There shall be attached to such notification the final form of the Indenture.

SECTION 11. The Tax Agreement. The execution and delivery of an agreement regarding arbitrage and regulations regarding the issuance of tax-exempt obligations (the "Tax Agreement") among the City, the Borrower and the Trustee, substantially in the form of similar agreements executed by the City in transactions similar to the issuance of the Bonds, with such changes, insertions and omissions as may be approved by the Executive Officer, is hereby authorized. The Executive Officer is hereby authorized to execute, acknowledge and deliver the Tax Agreement with such changes, insertions and omissions as may be approved by the Executive Officer. The execution of the Tax Agreement by the Executive Officer shall be conclusive evidence of such approval.

SECTION 12. Land-Use Restriction Agreement. The execution and delivery of a Land-Use Restriction Agreement relating to the Bonds, substantially in the form attached hereto as Exhibit D, is hereby authorized. The Executive Officer is hereby authorized to execute, acknowledge and deliver the Land-Use Restriction Agreement

with such changes, insertions and omissions as may be approved by the Executive Officer, including such changes, insertions and deletions conforming to the Code and the regulations promulgated thereunder relating to the tax-exempt status of the Bonds reflecting the anticipated use and occupancy of the Project. The execution of the Land-Use Restriction Agreement by the Executive Officer shall be conclusive evidence of such approval.

SECTION 13. Execution Of Bonds. The Bonds shall be executed by manual or facsimile signature of the Mayor of the City or the Executive Officer, and the seal of the City shall be affixed or imprinted and attested to by the manual or facsimile signature of the City Clerk or any Deputy Clerk, as set forth in the Indenture, and the same shall be delivered to the Trustee for proper authentication and delivery upon instructions to that effect.

SECTION 14. D.O.H. Approval. (a) Upon the approval and availability of the additional financing as shown on Exhibit A-1 hereto, the D.O.H. Commissioner and any designee of the D.O.H. Commissioner are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the disbursement of the U.F.G. Funds as a loan or grant to the General Partner, L.C.D.C. or the Borrower, in the discretion of the D.O.H. Commissioner, for use in connection with the Project (the "U.F.G. Grant") in accordance with the terms of the U.F.G. Grant set forth in Exhibit A-1. The D.O.H. Commissioner and any designee of the D.O.H. Commissioner are hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the U.F.G. Grant which do not substantially modify the terms described in Exhibit A-1 hereto. The execution of such agreements and instruments and the performance of such acts shall be conclusive evidence of such approval. Upon the execution and receipt of proper documentation, the D.O.H. Commissioner is hereby authorized to disburse the U.F.G. Funds to the General Partner, L.C.D.C. or the Borrower in the discretion of the D.O.H. Commissioner.

(b) The City shall waive those certain fees, if applicable, imposed by the City with respect to the Project and as more fully described in Exhibit A-2 attached hereto. The Project shall be deemed to qualify as "Affordable Housing" for purposes of Chapter 16-18 of the Municipal Code of Chicago (the "Municipal Code"). Section 2-44-090 of the Municipal Code shall not apply to the Project or the Property.

(c) D.O.H. is hereby authorized to charge an administrative fee or fees in connection with the issuance of the Bonds, which shall be collected under such terms and conditions as determined by the D.O.H. Commissioner and which shall be in an amount as determined by the D.O.H. Commissioner but not to exceed the maximum amount permitted under Section 148 of the Code to avoid characterization of the bonds as "arbitrage bonds" as defined in such Section 148.

Such administrative fee or fees shall be used by D.O.H. for administrative expenses and other housing activities.

SECTION 15. Conveyance Of The Property. (a) The City is hereby authorized to sell and convey to the Borrower the City Parcel for the sum of One and no/100 Dollars (\$1.00) in accordance with and subject to the terms of the Redevelopment Agreement.

(b) The Mayor or his proxy is authorized to execute, and the City Clerk to attest, a quitclaim deed conveying to the Borrower, or to a land trust of which the Borrower is the sole beneficiary, or to a business entity of which the Borrower is the sole controlling party, the City Parcel for the consideration described therein and otherwise in accordance with and subject to the terms of the Redevelopment Agreement.

(c) As a condition to the issuance of the Bonds, the General Partner shall transfer the General Partner Parcels to the Borrower prior to or on the date of closing of the Bonds.

SECTION 16. Redevelopment Agreement. The Commissioner of D.P.D. (the "D.P.D. Commissioner"), the Deputy Commissioner of D.P.D. (the "D.P.D. Deputy Commissioner"), or a designee of either is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver 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 17. Payment Of Incremental Taxes. The City Council hereby finds that the City is authorized to pay Two Million Dollars (\$2,000,000) from Incremental Taxes deposited in the General Account of the Fund (the "Excess Incremental Taxes") as the City Funds (as defined in the Redevelopment Agreement) to finance a portion of the eligible costs included within the Project. The City is authorized to pay from Excess Incremental Taxes an amount up to Two Million Dollars (\$2,000,000) as the City Funds as set forth in the Redevelopment Agreement. The City Funds are hereby appropriated for the purposes set forth in this Section 17.

SECTION 18. Further Assurances. The Executive Officer, the D.O.H. Commissioner, the D.P.D. Commissioner, the D.P.D. Deputy Commissioner, the City Clerk and any Deputy Clerk of the City are hereby designated the authorized representatives of the City, and each of them is hereby authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this ordinance and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this ordinance, including, but not limited to, the exercise following the delivery date of any of the Bonds of any power or authority delegated to such official of the City

under this ordinance with respect to the Bonds upon the initial issuance thereof, but subject to any limitations on or restrictions of such power or authority as herein set forth. The Executive Officer, the D.O.H. Commissioner, the D.P.D. Commissioner, the D.P.D. Deputy Commissioner, the City Clerk, any Deputy City Clerk and the other officers, agents and employees of the City are hereby further authorized, empowered and directed, for and on behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this ordinance or to evidence said authority.

The Executive Officer is also hereby authorized to execute any such amendments to the documents approved hereunder following the execution thereof to the extent that such amendments do not adversely affect the holders of the Bonds. The Executive Officer may, but shall not be required to, rely upon an opinion of counsel in making any such determination.

SECTION 19. Severability. The provisions of this ordinance are hereby declared to be separable, and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof; provided that no holding of invalidity shall require the City to make any payments from revenues other than those derived from the Loan Agreement.

SECTION 20. No Recourse. No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in this ordinance, the Indenture, the Loan Agreement, the Bond Purchase Agreement, the Land-Use Restriction Agreement, the Reimbursement Agreement, the Redevelopment Agreement, the U.F.G. Grant or the Tax Agreement against any past, present or future officer, member or employee of the City, or any officer, employee, director or trustee of any successor, as such, either directly or through the City, or any such successor, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such member, officer, employee, director or trustee as such is hereby expressly waived and released as a condition of and consideration for the execution of the Indenture, the Loan Agreement, the Bond Purchase Agreement, the Land-Use Restriction Agreement, the Redevelopment Agreement, the U.F.G. Grant and the Tax Agreement and the issuance of the Bonds.

SECTION 21. Volume Cap. The Bonds are obligations taken into account under Section 146 of the Code in the allocation of the City's volume cap.

SECTION 22. Developer Designation. The Developer is hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.

SECTION 23. Repealer. All ordinances and resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 24. Effect Of Municipal Code. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this ordinance or the instruments authorized by this ordinance or to impair the rights of the owners of the Bonds to receive payment of the principal of, premium, if any, or interest on the Bonds or to impair the security for the Bonds; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

SECTION 25. Proxies. The Mayor and the Executive Officer may each designate another to act as their respective proxy and to affix their respective signatures to, in the case of the Mayor, the Bonds, whether in temporary or definitive form, and to any other instrument, certificate or document required or authorized to be signed by the Mayor or the Executive Officer pursuant to this ordinance. In each case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor or the Executive Officer, respectively. A written signature of the Mayor or the Executive Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with signatures attached, shall be recorded in the *Journal of the Proceedings of the City Council of the City of Chicago* and filed with the Office of the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the Executive Officer is placed on an instrument, certificate or document at the direction of the Executive Officer in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Executive Officer in person.

SECTION 26. Effective Date. This ordinance shall be in full force and effect immediately upon its passage and approval.

Exhibits "A-1", "A-2", "B", "C", "D", "E", "F" and "G" referred to in this ordinance read as follows:

*Exhibit "A-1".*  
(To Ordinance)

U.F.G. Grant.

Source: City of Chicago through proceeds of a loan or grant made to the Borrower, the General Partner or L.C.D.C. in the discretion of the D.O.H. Commissioner and, if to the General Partner or L.C.D.C., loaned or otherwise contributed to the Borrower, or such other source acceptable to the D.O.H. Commissioner.

Amount: Approximately \$2,160,000.

Term: Not to exceed 35 years.

Interest: 0% per annum.

Security: Mortgage on the Project subordinate to the First Mortgage (as defined below) and any mortgage securing the A.R.C./L.T.O.S. Funds.

Additional Financing:

1. The Bonds, as described in this Ordinance. The Bonds will be secured by one or more Letters of Credit issued by the Bank pursuant to the Reimbursement Agreement. All or a portion of the Borrower's obligation to repay the Bank under the Reimbursement Agreement will be secured by a first mortgage on the Property (the "First Mortgage") and the assignment of the general partnership interest.
2. Low-Income Housing Tax Credit ("L.I.H.T.C.").
  - Source: To be derived from the syndication of approximately \$416,048 L.I.H.T.C. annually.
  - Amount: Approximately \$3,970,000, a portion of which will be applied to the payment of some or all of the Bonds.
3. Bridge Loan.
  - Source: Harris, N.A. or another source acceptable to the D.O.H. Commissioner.
  - Amount: Approximately \$600,000 or another amount acceptable to the D.O.H. Commissioner.
  - Term: 24 months.

Interest: Variable rate to be determined based upon the Prime Rate, or such other interest rate acceptable to the D.O.H. Commissioner.

Security: First Mortgage on the Property and the assignment of the general partnership interest.

4. Federal Home Loan Bank ("F.H.L.B.") Loan.

Source: Harris, N.A. through proceeds of a subsidy granted to L.C.D.C. from the Federal Home Loan Bank of Chicago's Affordable Housing Program and loaned or otherwise contributed to the Borrower, or another source acceptable to the D.O.H. Commissioner.

Amount: Approximately \$290,915

Security: Mortgage on the Property subordinate to the First Mortgage and the mortgages securing the A.R.C./L.T.O.S. Funds and the U.F.G. Grant, if any.

*Exhibit "A-2".*  
(To Ordinance)

*Fee Waivers.*

Department Of Buildings.

Waiver Of Plan Review, Permit And Inspection Fees:

A. Building Permit:

Zoning.

Construction/Architectural/Structural.

Internal Plumbing.

H.V.A.C.

Water for Construction.

Smoke Abatement.

B. Electrical Permit:

Service and Wiring.

C. Elevator Permit (if applicable).

D. Wrecking Permit (if applicable).

E. Fencing Permit (if applicable).

Department Of Water Management.

Tap Fees.

Cut and Seal Fees.

(Fees to purchase B-boxes and remote read-outs are not waived.)

Permit (connection) and Inspection Fees.

Sealing Permit Fees.

Department Of Transportation.

Street Opening Fees.

Driveway Permit Fees.

Use of Public Way Fees.

28/14  
[leave blank 3" x 5" space for recorder's office]



Doc#: 0721215095 Fee: \$350.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 07/31/2007 11:41 AM Pg: 1 of 164

8380304 C/IC (JH)

This agreement was prepared by and  
after recording return to  
Saundra N. Fried, Esq.  
City of Chicago Law Department  
121 North LaSalle Street, Room 600  
Chicago, IL 60602

**RENAISSANCE PLACE APARTMENTS REDEVELOPMENT AGREEMENT**

This Renaissance Place Apartments Redevelopment Agreement (this "Agreement") is made as of this 1st day of July, 2007, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), RPA Limited Partnership, an Illinois limited partnership ("RPA"), and LCDC Safeway II, LLC, an Illinois limited liability company ("LCDC Safeway" and collectively with RPA, 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

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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 "**City Council**") adopted the following ordinances on May 17, 2000: (1) "Approval of Midwest Tax Increment Redevelopment Plan for Redevelopment Project Area;" (2) "Designation of Midwest Redevelopment Area as Tax Increment Financing District;" and (3) "Adoption of Tax Increment Allocation Financing for Midwest 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 intends to commence and complete rehabilitation of 54 affordable multi-family rental units (the "**Facility**") with respect to certain property owned by the Developer located within the Redevelopment Area at 3123-27 West Douglas Boulevard, 3131 West Douglas Boulevard and 3700-06 West Douglas Boulevard/1336-1342 South Lawndale Avenue (the "**Developer Parcels**") and 3708 West Douglas Boulevard (the "**City Parcel**"), all in Chicago, Illinois 60623 and legally described on **Exhibit B** hereto (the Developer Parcels and the City Parcel are collectively referred to herein as the "**Property**"), within the time frames set forth in **Section 3.01** hereof. 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 completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

**E. Redevelopment Plan:** The Project is located in the Redevelopment Area and will be carried out in accordance with this Agreement and the City of Chicago Midwest Tax Increment Financing Redevelopment Plan (the "**Redevelopment Plan**") attached hereto as **Exhibit D**.

**F. City Financing:** The City agrees to use, in the amounts set forth in **Section 4.03(iii)** hereof, Incremental Taxes (as defined below), to pay for or reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement. The City, as of the Closing Date, shall allocate and appropriate the amounts set forth in **Section 4.03(iii)** for payment of the Redevelopment Project Costs of the Project.

In addition, the City may, in its discretion, issue tax increment allocation bonds ("**TIF Bonds**") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "**TIF Bond Ordinance**") at a later date as described in **Section 4.03(d)** hereof, the proceeds of which (the "**TIF Bond Proceeds**") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes, or in order to reimburse the City for the costs of TIF-Funded Improvements.

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 the Recitals hereof.

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

“**Bond(s)**” shall have the meaning set forth for such term in **Section 8.05** hereof.

“**Bond Ordinance**” shall mean the City ordinance authorizing the issuance of Bonds.

“**Certificate**” shall mean the Certificate of Completion described in **Section 7.01** hereof.

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

“**City Council**” shall have the meaning set forth in the Recitals hereof.

“**City Funds**” shall mean the funds described in **Section 4.03(b)** hereof.

“**City Parcel**” shall have the meaning set forth in the Recitals hereof.

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

“**Construction Contract**” shall mean that certain contract, 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.

“**Developer Parcels**” shall have the meaning set forth in the Recitals hereof.

**“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, including but not limited to the Municipal Code of Chicago, Sections 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560.

**“Equity”** shall mean funds of the Developer (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount set forth in **Section 4.01** hereof, 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.

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

**“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.

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

**“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 Midwest TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

**“Lender”** shall mean any provider of Lender Financing.

**“Lender Financing”** shall mean funds borrowed by the Developer from any lender and available to pay for costs of the Project, in the amount set forth in **Section 4.01** hereof.

**“MBE(s)”** shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City’s Department of Procurement Services, or otherwise certified by the City’s Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

**“MBE/WBE Budget”** shall mean the budget as described in **Section 10.03**.

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

**“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 F** hereto.

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

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

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

**“Project Budget”** shall mean the budget attached hereto as **Exhibit G**, showing the total cost of the Project by line item, furnished by the Developer to DPD, in accordance with **Section 3.03** hereof.

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

**“Redevelopment Area”** shall have the meaning set forth in the Recitals hereof.

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

**“Scope Drawings”** shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project.

**“Survey”** shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Developer Parcels 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 Developer Parcels are 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).

**“Term of the Agreement”** shall mean the period of time commencing on the Closing Date and ending on December 31, 2023, 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 Bonds”** shall have the meaning set forth in the Recitals hereof.

**“TIF Bond Ordinance”** shall have the meaning set forth in the Recitals hereof.

**“TIF-Funded Improvements”** shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. **Exhibit 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 Chicago Title Insurance 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 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, related to the Procurement Program or the Construction Program, as applicable.

## 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 rehabilitation no later than August 15, 2007; and (ii) complete rehabilitation no later than December 15, 2008.

**3.02 Scope Drawings and Plans and Specifications.** The Developer has delivered the Scope Drawings and Plans and Specifications to the City's Department of Housing ("DOH") and DOH has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DOH as a Change Order pursuant to **Section 3.04** hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan as in effect on the date of this Agreement 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.

**3.03 Project Budget.** The Developer has furnished to DOH, and DOH has approved, a Project Budget showing total costs for the Project in an amount not less than Ten Million Six Hundred Seventeen Thousand Three Hundred Twenty-Eight Dollars (\$10,617,328). The Developer hereby certifies to the City that (a) the Lender Financing and Equity described in **Section 4.02** hereof, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to DOH certified copies of any Change Orders with respect to the Project Budget for approval pursuant to **Section 3.04** hereof.

**3.04 Change Orders.** Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the Developer to DOH concurrently with the progress reports described in **Section 3.07** hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to DOH for DOH's prior written approval: (a) a reduction in the square footage of the Facility; (b) a change in the use of the Property to a use other than multi-family affordable rental units; (c) a delay in the completion of the Project; or (d) Change Orders costing more than \$25,000 each, to an aggregate amount of \$100,000. The Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of DOH's written approval (to the extent required in this section). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer. Notwithstanding anything to the contrary in this **Section 3.04**, Change Orders costing less than Twenty-Five Thousand Dollars (\$25,000.00) each, to an aggregate amount of One Hundred Thousand Dollars (\$100,000.00), do not require DOH's prior written approval as set

forth in this **Section 3.04**, but DOH shall be notified in writing of all such Change Orders prior to the implementation thereof and the Developer, in connection with such notice, shall identify to DOH the source of funding therefor.

**3.05 DOH Approval.** Any approval granted by DOH of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by DOH pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

**3.06 Other Approvals.** Any DOH 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 the Project until the Developer has obtained all necessary permits and approvals (including but not limited to DOH's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required hereunder.

**3.07 Progress Reports and Survey Updates.** The Developer shall provide DOH with written monthly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DOH's written approval pursuant to **Section 3.04**). The Developer shall provide three (3) copies of an updated Survey to DOH upon the request of DOH or any Lender, reflecting improvements made to the Property.

**3.08 Inspecting Agent or Architect.** An independent agent or architect (other than the Developer's architect) approved by DOH 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 periodic inspections with respect to the Project, providing certifications with respect thereto to DOH, prior to requests for disbursement for costs related to the Project. With the consent of DOH, the inspecting architect may be the inspecting architect engaged by any Lender, provided that said architect is an independent architect licensed by the State of Illinois, or an inspecting agent of DOH.

**3.09 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. DOH retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

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

**3.11 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.

**3.12 Permit Fees.** In connection with the Project and subject to waivers authorized by City Council, 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.

**3.13 Conveyance of City Parcel.** The following provisions shall govern the City's conveyance of the Property to the Developer:

(i) **Form of Quitclaim Deed.** The City shall convey title to the City Parcel by one or more quitclaim deeds for the sum of One Dollar (\$1.00) (the "Purchase Price"), which shall be paid by RPA to the City on the Closing Date in cash, wire transfer or other immediately available funds. Such land conveyance has been made in express reliance upon the Developer's undertakings under this Agreement, including, without limitation, the title provisions in this **Section 3**, the affordability provisions applicable to the affordable units, and the environmental provisions in **Section 11**.

Without limiting the quitclaim nature of the deed, the conveyance of and title to the City Parcel shall, in addition to the provisions of this Agreement, be subject to:

- (A) the Redevelopment Plan;
- (B) the standard exceptions in an ALTA insurance policy;
- (C) all general real estate taxes;
- (D) easements, encroachments, covenants and restrictions of record and not shown of record; and
- (E) such other title defects as may exist.

If necessary to clear title of exceptions for general real estate tax liens attributable to taxes due and payable prior to the Closing Date with respect to the City Parcel, the City shall submit to the County a tax abatement letter and/or file a vacation of tax sale proceeding in the Circuit Court of Cook County, seeking the exemption or waiver of such pre-closing tax liabilities, but shall no further duties with respect to any such taxes. The City shall also use good faith, commercially reasonable efforts to clear such other title defects as may exist, but such good faith, commercially reasonable efforts shall in no instance obligate the City to incur any costs for releasing liens, settling disputed tax claims, paying unpaid taxes that cannot be addressed by the submission of a tax abatement letter or a tax sale proceedings, or similar matters. If RPA finds title to any parcel objectionable, RPA's

sole option shall be to decline to accept title to any such parcel, with no adjustment offset or adjustment in the Purchase Price.

(ii) The Property Closing. The City Parcel closing shall take place on such date and at such place as the parties may mutually agree to in writing, but in no event earlier than the satisfaction of all conditions precedent to closing set forth in **Section 5** hereof and the Closing Date.

(iii) Recordation of Quitclaim Deed. RPA shall promptly record the quitclaim deed for the City Parcel in the Recorder's Office of Cook County. RPA shall pay all costs for so recording the quitclaim deed.

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

#### SECTION 4. FINANCING

**4.01 Total Project Cost and Sources of Funds.** The cost of the Project is estimated to be \$10,767,263, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Tax Exempt Bonds	\$5,600,000
City of Chicago LTOS Funds	\$ 976,348
HUD Loan	\$2,160,000
FHLB AHP	\$ 290,915
Equity (subject to <b>Sections 4.03(b) and 4.06</b> )	\$1,740,000
<b>ESTIMATED TOTAL</b>	<b>\$ 10,767,263</b>

Such sources of funds shall be used to pay all Project costs because no City Funds will be paid until the City's issuance of the Certificate, and then only as set forth in **Section 4.03**.

#### **4.02 Reserved.**

#### **4.03 City Funds.**

(a) **Uses of City Funds.** City Funds may only be used to reimburse the Developer after the issuance of a Certificate for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. **Exhibit C** sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be reimbursed from City Funds for each line item therein (subject to **Sections 4.03(b) and 4.07(d)**), contingent upon receipt by the City of documentation satisfactory in form and substance to DOH evidencing such cost and its eligibility as a Redevelopment Project Cost.

Notwithstanding the obligation to reimburse the Developer as set forth in this **Section 4.03(a)**, the maximum amount of City Funds shall be reduced as follows: on a \$0.50-for-\$1 basis to the extent that the actual Project costs are less than the budgeted Project costs as set forth in Project Budget.

(b) Payment of City Funds.

- i. 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 provide City funds (the "City Funds") from Incremental Taxes to reimburse the Developer for the costs of the TIF-Funded Improvements in the amounts determined under **Section 4.03(b)(iii)**.
- ii. City Funds shall not be paid to the Developer hereunder prior to the issuance of the Certificate pursuant to **Section 7.01**.
- iii. Subject to the terms and conditions of this Agreement, at the issuance of the Certificate and when the Occupancy for the Facility is greater than 75% as evidenced by the submission of an Occupancy Report in accordance with **Section 8.20**, payment shall be made to the Developer (each an "Installment"), upon the Developer's submission of a Requisition Form in accordance with **Section 4.04**. Such Installments shall be in the amounts set for in **Section 4.03(c)**; provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed Two Million Dollars (\$2,000,000); and provided further, that the \$2,000,000 to be derived from Incremental Taxes and/or TIF Bond proceeds, if any, shall be available to pay costs related to TIF-Funded Improvements and allocated as the amount of the Incremental Taxes which have been deposited into the Midwest TIF Fund sufficient to pay for such costs by the City for that purpose on the Closing Date.
- (iv) City Funds derived from Incremental Taxes and available to pay such costs and allocated for such purposes as of the Closing Date shall be paid in accordance with this Agreement only so long as no Event of Default or condition for which the giving of notice or the passage of time, or both, would constitute an Event of Default exists under this Agreement.

The Developer acknowledges and agrees that the City's obligation to pay any City Funds is contingent upon the conditions set forth in parts (i), (ii), (iii) and (iv) above, as well the Developer's satisfaction of all other applicable terms and conditions of this Agreement, including, without limitation, compliance with the covenants in **Section 8.20**. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by the Developer pursuant to **Section 4.01** hereof shall increase proportionately.

(c) Payment Amount. The Installments to be paid by the City after submission of a Requisition Form shall be as follows (subject to Sections 8.20):

<u>Installment</u>	<u>Payment Amount</u>
One (Certificate of Completion)	\$1,500,000
Two (75% Occupancy)	\$500,000

**4.04 Requisition Form.** Upon the issuance of the Certificate in accordance with Section 7.01 and at the time of submission of the Occupancy Certificate in accordance with Section 8.20, the Developer shall provide DPD with a Requisition Form (the form of which is attached as Exhibit H), along with the documentation described therein. Within thirty (30) days of receipt of a Requisition Form, DPD shall notify the Developer whether additional information is needed to evaluate the funding request. Upon DPD's request, the Developer shall meet with DPD to discuss any Requisition Form(s).

**4.05 Treatment of 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 date hereof 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.

**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 Preconditions of Disbursement.** As a condition to the disbursement of City Funds hereunder, the Developer shall submit, at the time of the submission of the Requisition Form in accordance with Section 4.04, documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. Delivery by the Developer to DPD of any request for disbursement of City Funds hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

(a) for Installment One only, the actual amount paid to the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees is equal to or greater than the total amount of the disbursement request;

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

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

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

(e) 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 and/or liens bonded by the Developer or insured by the Title Company; and

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

The City shall have the right, in its discretion, to require the Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Developer. In addition, the Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements set forth in the Bond Ordinance, if any, TIF Bond Ordinance, if any, the Bonds, if any, the TIF Bonds, if any, the TIF Ordinances and/or this Agreement.

**4.08 Conditional Payment of City Funds.** The City Funds being provided hereunder are being provided to the Developer on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed if the Property, or any portion thereof, ceases to be utilized as affordable rental housing during the Term of the Agreement. Furthermore, after the issuance of the Certificate pursuant to Section 7.01, it shall be in DPD's sole discretion to make any payment pursuant to this Agreement upon and after the occurrence of any action described in Section 8.01(j) for which the Developer did not receive the prior written consent of the City. The payment of City Funds is subject to being terminated and/or reimbursed as provided in Section 15.

## SECTION 5. CONDITIONS PRECEDENT

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 DOH, and DOH has approved, a Project Budget in accordance with the provisions of Section 3.03 hereof.

**5.02 Scope Drawings and Plans and Specifications.** The Developer has submitted to DOH, and DOH has approved, the Scope Drawings and Plans and Specifications 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 and has submitted evidence thereof to DPD. Such approvals shall include, without limitation, all building permits necessary for the Project.

**5.04 Financing.** The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in **Section 4.01** hereof to complete 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 other sources set forth in **Section 4.01**) to complete the Project. 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 Title Policy for the Property, certified by the Title Company, showing the RPA 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 F** hereto and evidences the recording of this Agreement pursuant to the provisions of **Section 8.17** hereof. 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 (a) the Developer's name, (b) Lawndale Christian Development Corporation, Douglas Boulevard II, LLC and Douglas Boulevard LRP Inc. (collectively, the "Related Entities") 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  
U.S. District Court  
Clerk of Circuit Court,  
Cook County

Memoranda of judgments search  
Pending suits and judgments  
Pending suits and judgments

showing no liens against the Developer, the Property, the Related Entities or any fixtures now or hereafter affixed thereto, except for the Permitted Liens and/or liens bonded by the Developer or insured by the Title Company.

**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 has furnished 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.

**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** hereof.

**5.11 Financial Statements.** The Developer has provided Financial Statements to DPD for its most recently completed fiscal year, and audited or unaudited interim financial statements for the period after the end of the most recently completed 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.

**5.13 Environmental.** The Developer has provided DPD with copies of that certain phase I environmental audit completed with respect to the Developer Parcels and any phase II environmental audit with respect to the Developer Parcels required by the City. The Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

**5.14 Organizational Documents; Economic Disclosure Statement.** The Developer has provided a copy of its Articles of Incorporation or Certificate of Limited Partnership containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and all other states in which the Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws of the corporation or Limited Partnership Agreement; and such other organizational 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 Corporation Counsel and DPD, a description of all pending or threatened litigation or administrative proceedings involving the Developer, 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.

## SECTION 6. AGREEMENTS WITH CONTRACTORS

**6.01 Bid Requirement for General Contractor and Subcontractors.** The City has approved the Developer's selection of Safeway Keeley JV LLC, an Illinois limited liability company as the General Contractor. The Developer shall submit copies of the Construction Contract to DPD in accordance with **Section 6.02** below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

**6.02 Construction Contract.** Prior to the execution thereof, the Developer shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with **Section 6.01** above, for DPD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. Within ten (10) business days after execution of such contract by the Developer, the General Contractor and any other parties thereto, the Developer shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

**6.03 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 a form acceptable to DPD or a letter of credit. The City shall be named as obligee or co-obligee on any such bonds.

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

**6.05 Other Provisions.** In addition to the requirements of this **Section 6**, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to **Section 3.04** (Change Orders), **Section 8.07** (Employment Profile), **Section 8.08** (Prevailing Wage), **Section 10.01(e)** (Employment Opportunity), **Section 10.02** (City Resident Employment Requirement), **Section 10.03** (MBE/WBE Requirements, as applicable), **Section 12** (Insurance) and

**Section 14.01** (Books and Records) 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 five (5) business days of the execution thereof.

## SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

### 7.01 Certificate of Completion.

(a) Upon completion of the rehabilitation of the Project in accordance with the terms of this Agreement, and upon Developer's written request, DPD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement.

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

(c) Developer acknowledges that the City will not issue a Certificate until the following conditions have been met:

- (i) the Project, including all of the TIF-Funded Improvements, has been substantially completed; and
- (ii) Developer has provided DPD with evidence acceptable to DPD showing that Developer has completed the Project in compliance with building permit requirements, including, without limitation, receipt of one or more certificates of occupancy for the Project; and
- (iii) the City's monitoring unit has determined in writing that the Developer is in complete compliance with all requirements of **Sections 8.08 and 10.**

**7.02 Effect of Issuance of Certificate; Continuing Obligations.** The Certificate relates only to the rehabilitation of the Project, and upon its 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 **Sections 8.02, 8.18, 8.19 and 8.20** as covenants that run with the land are the only covenants in this Agreement intended to be binding

upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in **Section 8.02** shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the 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 the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

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

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements 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 counsel that such reimbursement will not jeopardize the tax-exempt status of the TIF Bonds, if any.

**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) RPA is an Illinois limited partnership and LCDC Safeway is an Illinois limited liability company, each duly organized, validly existing, qualified to do business in Illinois, and each 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) each of RPA and LCDC Safeway has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate (as applicable) its Articles of Incorporation, by-laws or partnership agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which 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 RPA 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 and/or liens bonded by the Developer or insured by the Title Company, 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;

(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) prior to the issuance of the Certificate pursuant to Section 7.01, the Developer shall not do any of the following without the prior written consent of DPD, which consent shall be in DPD's sole discretion: (1) be a party to any merger, liquidation or consolidation; (2) sell (including, without limitation, any sale and leaseback), transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto); (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition;

(k) 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 and/or liens bonded by the Developer or insured by the Title Company; 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;

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

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

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

Developer represents and warrants that from the later of (i) February 10, 2005, or (ii) the date the City approached the Developer or the date the Developer approached the City, as

applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

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

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

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

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

For purposes of this provision:

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

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

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

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

- (A) they are each other's sole domestic partner, responsible for each other's common welfare; and

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

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

**8.02 Covenant to Redevelop.** Upon DPD’s approval of the Project Budget, the Scope Drawings and Plans and Specifications 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, 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 covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

**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.

**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 shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements (the “Bonds”); 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 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. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of **Sections 8.08, 10.02** and **10.03** of this Agreement. Such reports shall be delivered to the City when the Project is 25%, 50%, 70% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, 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.

**8.07 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.

**8.08 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 8.08**.

**8.09 Arms-Length Transactions.** Unless the City 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.

**8.10 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 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.

**8.11 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.

**8.12 Financial Statements.** The Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year ended December 31, 2006 and for each year thereafter within 90 days after the end of such fiscal year for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

**8.14 Non-Governmental Charges.** (a) **Payment of Non-Governmental Charges.** Except for the Permitted Liens and/or liens bonded by the Developer or insured by the Title Company, 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 8.14**); 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.

**8.15 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.

**8.16 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.

**8.17 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 the county in which the Project is located. 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.

**8.18 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, 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 (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to 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 or to obtain discharge of the same, 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.

(c) Real Estate Taxes.

(i) Acknowledgment of Real Estate Taxes. The Developer agrees that for the purpose of this Agreement, the minimum assessed value of the Property ("Minimum Assessed Value") is shown on Exhibit K attached hereto and incorporated herein by reference.

(ii) Real Estate Tax Exemption. With respect to the Property or the Project, neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, seek, or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect; provided, however, nothing contained in this provision shall preclude Developer from applying for and receiving any reduction in the amount of real estate taxes payable for the Project or the Property, subject to the provisions of clause (iii) below.

(iii) No Reduction in Real Estate Taxes. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for

proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the amount of the Minimum Assessed Value as shown in **Exhibit K**; provided, however, the Developer is permitted to apply for a Class 9 designation from Cook County even if such designation with respect to the Property would result in a Minimum Assessed Value below that shown in **Exhibit K**.

(iv) No Objections. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer, shall object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Underassessment Complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Underassessment Complaint" as used in this Agreement shall mean any complaint seeking to increase the assessed value of the Property up to (but not above) the Minimum Assessed Value as shown in **Exhibit K**.

(v) Covenants Running with the Land. The parties agree that the restrictions contained in this **Section 8.18(c)** are covenants running with the land and this Agreement shall be recorded by the Developer as a memorandum thereof, at the Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions shall be binding upon the Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof; provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. The Developer agrees that any sale (including, without limitation, any sale and leaseback), lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this **Section 8.18(c)** to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of the Developer, its successors or assigns, may waive and terminate the Developer's covenants and agreements set forth in this **Section 8.18(c)**.]

**8.19 Affordable Housing Covenant**. The Developer agrees and covenants to the City that, prior to any foreclosure of the Property by a Lender, the provisions of that certain Regulatory Agreement executed by the Developer and DOH as of the date hereof shall govern the terms of the Developer's obligation to provide affordable housing. Following foreclosure, if any, and from the date of such foreclosure through the Term of the Agreement, the following provisions shall govern the terms of the obligation to provide affordable housing under this Agreement:

- (a) The Facility shall be operated and maintained solely as residential rental housing;
- (b) All of the units in the Facility shall be available for occupancy to and be occupied solely by one or more persons qualifying as Low Income Families (as defined below) upon initial occupancy; and

(c) All of the units in the Facility have monthly rents, payable by the respective tenant, not in excess of thirty percent (30%) of the maximum allowable income for a Low Income Family (with the applicable Family size for such units determined in accordance with the rules specified in Section 42(g)(2) of the Internal Revenue Code of 1986, as amended); provided, however, that for any unit occupied by a Family (as defined below) that no longer qualifies as a Low Income Family due to an increase in such Family's income since the date of its initial occupancy of such unit, the maximum monthly rent for such unit shall not exceed thirty percent (30%) of such Family's monthly income.

(d) As used in this **Section 8.19**, the following terms has the following meanings:

(i) "**Family**" shall mean one or more individuals, whether or not related by blood or marriage; and

(ii) "**Low Income Families**" shall mean Families whose annual income does not exceed sixty percent (60%) of the Chicago-area median income, adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition.

(e) The covenants set forth in this **Section 8.19** shall run with the land and be binding upon any transferee.

(f) The City and the Developer may enter into a separate agreement to implement the provisions of this **Section 8.19**.

**8.20 Occupancy; Permitted Uses.** Developer shall cause the lease of at least 75% of the units at the Facility (the "Occupancy Covenant"). At such time as the Occupancy Covenant is met, Developer shall deliver a compliance report, including a list of tenants and the corresponding executed leases or memorandums of lease, as applicable (the "Occupancy Report"). Developer shall cause the Property to be used in accordance with **Section 8.19** hereof and the Redevelopment Plan. The covenants contain in this **Section 8.20** shall run with the land and be binding upon any transferee for the Term of the Agreement.

**8.21 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.

**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.

## **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 the Project or occupation of the Property:

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

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

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

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

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

(f) Failure to comply with the employment obligations described in this Section 10.01 shall be a basis for the City to pursue remedies under the provisions of Section 15.02 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 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 at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this 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. **Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.**

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

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

**10.03. 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 the Project:

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

- (1) At least 24 percent by MBEs.
- (2) At least four 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 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**" or a "**construction contract**" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, 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 the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this **Section 10.03**. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by 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 the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on five 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 Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

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

(g) Prior to the commencement of the Project, the Developer shall be required to meet with the City's monitoring staff with regard to the Developer's compliance with its obligations under this **Section 10.03**. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this **Section 10.03**, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, the Developer shall submit the documentation required by this **Section 10.03** to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this **Section 10.03**, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) 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, and any applicable provisions contained in 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 (A) all or any portion of the Property or (B) any other real property in which the Developer, or any person directly or indirectly controlling, controlled by or under common control with the Developer, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

Further, the City makes no covenant, representation or warranty as to the soil or environmental condition of the City Parcel or the suitability of the City Parcel for any purpose whatsoever, and the Developer agrees to accept the City Parcel "as is" subject to the provisions of this Agreement.

If after the Closing Date, the soil or environmental condition of the City Parcel is not in all respects entirely suitable for the use to which the City Parcel is to be utilized, it shall be the sole responsibility and obligation of the Developer to take such action as is necessary to put the City Parcel in a condition suitable for such intended use. The Developer further agrees to release and indemnify the City from any claims and liabilities relating to or arising from the environmental condition of the City Parcel (including, without limitation, claims under CERCLA) and to undertake and discharge all liabilities of the City arising from any environmental condition which existed on the City Parcel prior to the Closing.

## SECTION 12. INSURANCE

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

- (a) Prior to execution and delivery of this Agreement.

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) All Risk Property

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

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

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

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

(iii) Automobile Liability (Primary and Umbrella)

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

(iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Developer must provide cause to be provided with respect to the operations that Contractors perform, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk /Builders Risk

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

(vi) Professional Liability

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

(vii) Valuable Papers

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

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, the Developer must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$1,000,000 per occurrence.

Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

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

(d) Other Requirements:

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

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

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

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

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

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

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

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

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

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

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

### **SECTION 13. INDEMNIFICATION**

**13.01 General Indemnity.** Developer 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 Indemnities 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; 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 of 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;

(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 (after any applicable notice and cure period) 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 and/or liens bonded by the Developer or insured by the Title Company, 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 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 the Lender Financing, which default is not cured within any applicable cure period;

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

(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); or

(k) prior to the issuance of the Certificate, the sale or transfer of a majority of the ownership interests of the Developer without the prior written consent of the City; provided, however, the respective interests of Developer's administrative limited partner and Developer's investor limited partner shall be transferable to any affiliate of Apollo Housing Capital, L.L.C. without the consent of the City.

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 RPA's partnership interests.

**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; provided, further, notwithstanding anything to the contrary contained herein, the City hereby agrees that any cure of and default made or tendered by one of RPA's limited partners shall be deemed to be a cure by the Developer and shall be accepted or rejected on the same basis as if made or tendered by Developer.

**15.04 Right to Cure by Lender** In the event that an Event of Default occurs under this Agreement, and if, as a result thereof, the City intends to exercise any right or remedy available to it that could result in termination of this Agreement and all related agreements, or the suspension, cancellation or reduction of the amount of City Funds disbursed hereunder, the City shall prior to exercising such right or remedy, send notice of such intended exercise to the Lender and the Lender shall have the right (but not the obligation) to cure such Event of Default as follows:

(a) if the Event of Default is a monetary default, the Lender may cure such default within 30 days after the later of: (i) the expiration of the cure period, if any, granted to the Developer with respect to such monetary default; or (ii) receipt by the Lender of such notice from the City; and

4/17/15

(b) if any Event of Default is of a non-monetary nature, the Lender shall have the right to cure such default within 30 days after the later of: (i) the expiration of the cure period, if any, granted to the Developer with respect to such non-monetary default; or (ii) receipt by the Lender of such notice from the City; and

(c) Notwithstanding the provisions of **Section 15.03(b)** hereof, if such non-monetary default is an Event of Default set forth in **Section 15.01(e), (f), (g), (h), (i) or (j)** hereof or Event of Default by the Developer of a nature so as not reasonably being capable of being cured within such 30 day period (each such default being a "Personal Developer Default"), the Lender shall provide written notice to the City within 30 days of receipt of notice of such Personal Developer Default stating that it shall cure such Personal Developer Default by the assignment of all of the Developer's rights and interests in this Agreement to the Lender or any other party agreed to in writing by both the Lender and the City. Upon receipt by the City of such notice from the Lender, the cure period shall be extended for such reasonable period of time as may be necessary to complete such assignment and assumption of Developer's rights hereunder; provided, however, that no payment of City Funds shall occur until such time as such Personal Developer Default is cured.

## 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 F** 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, 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 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:	RPA Limited Partnership c/o LCDC Safeway II LLC 3843 West Ogden Avenue Chicago, Illinois 60623 Attention: Executive Director, Lawndale Christian Development Corporation
With Copies To:	Roberta Gates Edwards, Esq. 10540 South Western Avenue, Suite 403 Chicago, Illinois 60643

And to: Lawndale Christian Development Corporation  
1859 South Pulaski  
Chicago, Illinois 60623  
Attention: Property Manager  
c/o Cynthia Brandon

And to: Harris NA  
Community Development Lending Division  
111 West Monroe-2nd Floor East  
Chicago, Illinois 60603  
Attention: Alisia Herrera

And to: Apollo Housing Capital, L.L.C.  
600 Superior Avenue, Suite 2300  
Cleveland, OH 44114  
Attention: President and General Counsel

with a copy to:

Applegate & Thorne-Thomsen, P.C.  
322 South Green Street, Suite 400  
Chicago, Illinois 60607  
Attention: Ben Applegate, Esq.

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 the City shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

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

**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 shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

**18.08 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 8.18** (Real Estate Provisions) and **8.21** (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.

**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 effected 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 may hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

**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.

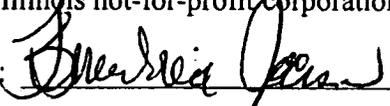
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IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

**RPA LIMITED PARTNERSHIP**

By: LCDC Safeway II, LLC, an Illinois limited liability company, its General Partner

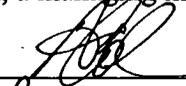
By: Lawndale Christian Development Corporation, an Illinois not-for-profit corporation, manager

By: 

Its: Executive Director

By: Douglas Boulevard II, LLC, an Illinois limited liability company, manager

By: Douglas Boulevard LRP, Inc., an Illinois corporation, a managing member

By: 

Its: President

**LCDC SAFEWAY II, LLC**

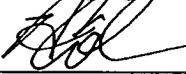
By: Lawndale Christian Development Corporation, an Illinois not-for-profit corporation, manager

By: 

Its: Executive Director

By: Douglas Boulevard II, LLC, an Illinois limited liability company, manager

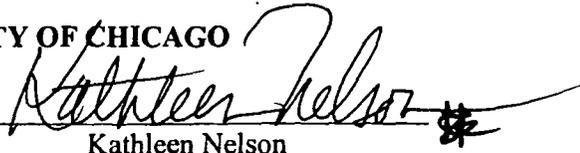
By: Douglas Boulevard LRP, Inc., an Illinois corporation, a managing member

By: 

Its: President

CITY OF CHICAGO

By:

A handwritten signature in black ink, appearing to read "Kathleen Nelson", written over a horizontal line. The signature is fluid and cursive, with a large initial "K".

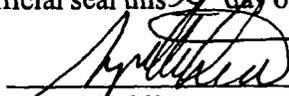
Kathleen Nelson  
First Deputy Commissioner



STATE OF ILLINOIS )  
                                  ) SS  
COUNTY OF COOK )

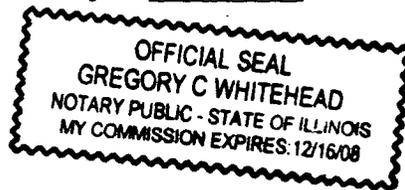
I, Gregory Whitehead, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Alan Coleman, personally known to me to be the President of Douglas Boulevard LRP, Inc. "Douglas Boulevard LRP", a managing member of Douglas Boulevard II, LLC, an Illinois limited liability company ("Douglas Boulevard"), a manager of LCDC Safeway II, LLC, an Illinois limited liability company ("LCDC Safeway") and the general partner of RPA Limited Partnership, an Illinois limited partnership ("RPA"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Board of Directors of Douglas Boulevard LRP, as his/her free and voluntary act, as the free and voluntary act of Douglas Boulevard, as the free and voluntary act of LCDC Safeway and as the free and voluntary act of RPA, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 30<sup>th</sup> day of July, 2007.

  
Notary Public

My Commission Expires \_\_\_\_\_

(SEAL)





**RENAISSANCE PLACE APARTMENTS  
REDEVELOPMENT AGREEMENT**

**EXHIBIT A**

**REDEVELOPMENT AREA LEGAL DESCRIPTION**

[Not attached for the purposes of recording.]

**RENAISSANCE PLACE APARTMENTS  
REDEVELOPMENT AGREEMENT**

**EXHIBIT B**

**PROPERTY LEGAL DESCRIPTION**

**DEVELOPER PARCELS**

**PARCEL 1:**

LOTS 24, 25, 26 IN BLOCK 2 IN VANCE AND PHILLIP'S BOULEVARD ADDITION IN THE NORTHWEST ¼ OF SECTION 23, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 3700-06 West Douglas Boulevard/1336-1342 South Lawndale Avenue, Chicago, Illinois 60623

P.I.N.: 16-23-111-025-0000

**PARCEL 2:**

LOTS 44 TO 47, BOTH INCLUSIVE IN BLOCK 2 IN DOUGLAS PARK ADDITION, A SUBDIVISION OF LOTS 4 AND 5 IN CIRCUIT COURT PARTITION OF THE WEST ½ OF THE WEST ½ OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Addresses: 3123-27 West Douglas Boulevard, Chicago, Illinois 60623  
3131 West Douglas Boulevard, Chicago, Illinois 60623

P.I.N.: 16-24-104-027-0000

**CITY PARCEL**

**PARCEL 3:**

LOT 23 IN BLOCK 2 IN VANCE AND PHILLIP'S BOULEVARD ADDITION IN THE NORTHWEST ¼ OF SECTION 23, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 3708 West Douglas Boulevard, Chicago, Illinois 60623

P.I.N.: 16-23-111-024-0000

**RENAISSANCE PLACE APARTMENTS  
REDEVELOPMENT AGREEMENT**

**EXHIBIT C**

**TIF-FUNDED IMPROVEMENTS**

<u>Line Item</u>	<u>Cost</u>
Construction Costs	\$2,000,000
TOTAL	\$2,000,000

**RENAISSANCE PLACE APARTMENTS  
REDEVELOPMENT AGREEMENT**

**EXHIBIT D**

**REDEVELOPMENT PLAN**

[Not attached for the purposes of recording.]

**RENAISSANCE PLACE APARTMENTS  
REDEVELOPMENT AGREEMENT**

**EXHIBIT E**

**CONSTRUCTION CONTRACT**

See Attached.



# AIA<sup>®</sup> Document A101<sup>™</sup> – 1997

## Standard Form of Agreement Between Owner and Contractor where the basis of payment is a STIPULATED SUM

AGREEMENT made as of the Twenty-fifth day of May in the year of Two Thousand Seven-

*(In words, indicate day, month and year)*

BETWEEN the Owner:

*(Name, address and other information)*

RPA LIMITED PARTNERSHIP  
3843 WEST OGDEN AVE  
CHICAGO IL 60623  
Telephone Number: (773) 762-8889  
Fax Number: (773) 762-8893

and the Contractor:

*(Name, address and other information)*

SAFEMAY KEELEY JV LLC  
4327 WEST ROOSEVELT ROAD  
CHICAGO IL 60624  
Telephone Number: (773) 522-3000  
Fax Number: (773) 522-4043

The Project is:

*(Name and location)*

RENAISSANCE PLACE APARTMENTS  
3700-08 WEST DOUGLAS BLVD  
CHICAGO IL 60623

The Architect is:

*(Name, address and other information)*

LONDON BONE BAKER ARCHITECTS  
314 W. INSTITUTE PLACE  
CHICAGO IL 60610  
Telephone Number: (312) 988-9100  
Fax Number: (312) 988-7146

The Owner and Contractor agree as follows.

### ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201-1997, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

This document has been approved and endorsed by The Associated General Contractors of America.

Init.

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**ARTICLE 1 THE CONTRACT DOCUMENTS**

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement and Modifications issued after execution of this Agreement; these form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 8.

**ARTICLE 2 THE WORK OF THIS CONTRACT**

The Contractor shall fully execute the Work described in the Contract Documents, except to the extent specifically indicated in the Contract Documents to be the responsibility of others.

**ARTICLE 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**

§ 3.1 The date of commencement of the Work shall be the date of this Agreement unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Owner.

*(Insert the date of commencement if it differs from the date of this Agreement or, if applicable, state that the date will be fixed in a notice to proceed.)*

Commencement of work is upon issuance of a letter to proceed.

If, prior to the commencement of the Work, the Owner requires time to file mortgages, mechanic's liens and other security interests, the Owner's time requirement shall be as follows:

§ 3.2 The Contract Time shall be measured from the date of commencement.

§ 3.3 The Contractor shall achieve Substantial Completion of the entire Work not later than 120 days from the date of commencement, or as follows:

*(Insert number of calendar days. Alternatively, a calendar date may be used when coordinated with the date of commencement. Unless stated elsewhere in the Contract Documents, insert any requirements for earlier Substantial Completion of certain portions of the Work.)*

Portion of Work

Substantial Completion Date

, subject to adjustments of this Contract Time as provided in the Contract Documents.

*(Insert provisions, if any, for liquidated damages relating to failure to complete on time or for bonus payments for early completion of the Work.)*

NONE

**ARTICLE 4 CONTRACT SUM**

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be Thirty six thousand two hundred seventy five Dollars and Zero Cents (\$36,275.00) subject to additions and deductions as provided in the Contract Documents.

§ 4.2 The Contract Sum is based upon the following alternates, if any, which are described in the Contract Documents and are hereby accepted by the Owner:

*(State the numbers or other identification of accepted alternates. If decisions on other alternates are to be made by the Owner subsequent to the execution of this Agreement, attach a schedule of such other alternates showing the amount for each and the date when that amount expires)*

NONE

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§ 4.3 Unit prices, if any, are as follows:

Description	Units	Price (\$ 0.00)
NONE		

## ARTICLE 5 PAYMENTS

### § 5.1 PROGRESS PAYMENTS

§ 5.1.1 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below and elsewhere in the Contract Documents.

§ 5.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

§ 5.1.3 Provided that an Application for Payment is received by the Architect not later than the Twenty-fifth day of a month, the Owner shall make payment to the Contractor not later than the Tenth day of the following month. If an Application for Payment is received by the Architect after the application date fixed above, payment shall be made by the Owner not later than Five (5) days after the Architect receives the Application for Payment.

§ 5.1.4 Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 5.1.5 Applications for Payment shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.6 Subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

- .1 Take that portion of the Contract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the Contract Sum allocated to that portion of the Work in the schedule of values, less retainage of Ten percent (10%) Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 7.3.8 of AIA Document A201-1997;
- .2 Add that portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction (or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing), less retainage of Zero percent ( 0.00% );
- .3 Subtract the aggregate of previous payments made by the Owner; and
- .4 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Section 9.5 of AIA Document A201-1997.

§ 5.1.7 The progress payment amount determined in accordance with Section 5.1.6 shall be further modified under the following circumstances:

- .1 Add, upon Substantial Completion of the Work, a sum sufficient to increase the total payments to the full amount of the Contract Sum, less such amounts as the Architect shall determine for incomplete Work, retainage applicable to such work and unsettled claims; and

*(Section 9.8.5 of AIA Document A201-1997 requires release of applicable retainage upon Substantial Completion of Work with consent of surety, if any.)*

- .2 Add, if final completion of the Work is thereafter materially delayed through no fault of the Contractor, any additional amounts payable in accordance with Section 9.10.3 of AIA Document A201-1997.

§ 5.1.8 Reduction or limitation of retainage, if any, shall be as follows:

*(If it is intended, prior to Substantial Completion of the entire Work, to reduce or limit the retainage resulting from the percentages inserted in Sections 5.1.6.1 and 5.1.6.2 above, and this is not explained elsewhere in the Contract Documents, insert here provisions for such reduction or limitation.)*

§ 5.1.9 Except with the Owner's prior approval, the Contractor shall not make advance payments to suppliers for materials or equipment which have not been delivered and stored at the site.

## § 5.2 FINAL PAYMENT

§ 5.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when:

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Section 12.2.2 of AIA Document A201-1997, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment has been issued by the Architect.

§ 5.2.2 The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows

## ARTICLE 6 TERMINATION OR SUSPENSION

§ 6.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A201-1997.

§ 6.2 The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201-1997.

## ARTICLE 7 MISCELLANEOUS PROVISIONS

§ 7.1 Where reference is made in this Agreement to a provision of AIA Document A201-1997 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 7.2 Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located. *(Insert rate of interest agreed upon, if any.)*

Eighteen percent (18.00 %) per annum

*(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Contractor's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Legal advice should be obtained with respect to deletions or modifications, and also regarding requirements such as written disclosures or waivers.)*

§ 7.3 The Owner's representative is:  
*(Name, address and other information)*

KIM JACKSON  
3843 WEST OGDEN AVE  
CHICAGO IL 60623

§ 7.4 The Contractor's representative is:  
(Name, address and other information)

JOHN W. BONDS JR.  
4327 WEST ROOSEVELT ROAD  
CHICAGO IL 60624

§ 7.5 Neither the Owner's nor the Contractor's representative shall be changed without ten days written notice to the other party.

§ 7.6 Other provisions:

#### ARTICLE 8 ENUMERATION OF CONTRACT DOCUMENTS

§ 8.1 The Contract Documents, except for Modifications issued after execution of this Agreement are enumerated as follows:

§ 8.1.1 The Agreement is this executed 1997 edition of the Standard Form of Agreement Between Owner and Contractor, AIA Document A101-1997.

§ 8.1.2 The General Conditions are the 1997 edition of the General Conditions of the Contract for Construction, AIA Document A201-1997.

§ 8.1.3 The Supplementary and other Conditions of the Contract are those contained in the Project Manual dated , and are as follows

Document	Title	Pages
----------	-------	-------

§ 8.1.4 The Specifications are those contained in the Project Manual dated as in Section 8.1.3, and are as follows:  
(Either list the Specifications here or refer to an exhibit attached to this Agreement.)

Title of Specifications exhibit:

(Rows deleted)

§ 8.1.5 The Drawings are as follows, and are dated December 09, 2006 unless a different date is shown below:  
(Either list the Drawings here or refer to an exhibit attached to this Agreement.)

Title of Drawings exhibit: RENAISSANCE PLACE APARTMENTS

(Rows deleted)

§ 8.1.6 The Addenda, if any, are as follows:

Number	Date	Pages
NONE		

Portions of Addenda relating to bidding requirements are not part of the Contract Documents unless the bidding requirements are also enumerated in this Article 8.

§ 8.1.7 Other documents, if any, forming part of the Contract Documents are as follows:

(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A201-1997 provides that bidding requirements such as advertisement or invitation to bid, Instructions to Bidders, sample forms and the Contractor's bid are not part of the Contract Documents unless enumerated in this Agreement. They should be listed here only if intended to be part of the Contract Documents.)

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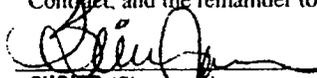
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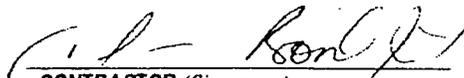
See enclosed City of Chicago Rider, HUD Labor Standard Deposit Agreement, HUD Form 4010

This Agreement is entered into as of the day and year first written above and is executed in at least three original copies, of which one is to be delivered to the Contractor, one to the Architect for use in the administration of the Contract, and the remainder to the Owner.

  
OWNER (Signature)

KIM JACKSON  
Executive Director of Lawndale Christian  
Development Corporation, A Member of the  
General Partner of RPA Limited Partnership, an  
Illinois limited liability partnership

(Printed name and title)

  
CONTRACTOR (Signature)

JOHN W. BONDS JR.  
Managing Member of Safeway Keeley  
JV, LLC, an Illinois limited liability  
company

(Printed name and title)

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## CONSTRUCTION CONTRACT RIDER

The provisions of this Construction Contract Rider (the "Rider") are part of the Agreement to which this Rider is attached. In the event of any conflict between any provision of this Rider and any other provision of the Agreement, the provision of this Rider shall control.

1. Bond/Letter of Credit. The Contractor shall maintain **[Check as applicable]**  a payment and performance bond; or  a letter of credit in an amount not less than \$ \_\_\_\_\_ acceptable to the City of Chicago (the "City") in full force and effect until completion of the Work.

2. No Payment, Gratuity, etc. No payment, gratuity or offer of employment shall be made in connection with the Work, by or on behalf of a Subcontractor to the Contractor or higher tier Subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

3. MBE/WBE Commitment. (a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 3, during the course of the Work, the Contractor shall expend or cause to be expended, for contract participation by minority-owned businesses ("MBEs") and by women-owned businesses ("WBEs"), at least the following percentages of the aggregate hard construction costs (as set forth in the Project Budget, as defined in the hereinafter defined Loan Agreement):

- (1) At least 24 percent by MBEs.
- (2) At least four percent by WBEs.

(b) For purposes of this Section 3 only, the Contractor (and any party to whom a subcontract is let by the Contractor in connection with the Work) shall be deemed a "contractor" and the Agreement (and any subcontract let by the Contractor in connection with the Work) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable. In addition, the term "minority-owned business" or "MBE" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable; and the term "women-owned business" or "WBE" 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, related to the Procurement Program or the Construction Program, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Contractor's MBE/WBE commitment may be achieved in part by the Contractor's status as an MBE or WBE (but only to the extent of any Work actually performed by the Contractor itself) 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 Work actually performed by the MBE or WBE itself), by subcontracting a portion of the Work to one or more MBEs or WBEs, or by the purchase of materials or services used in the Work 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 Contractor's MBE/WBE commitment as described in this Section 3. In accordance with Section 2-92-730, Municipal Code of Chicago, the Contractor shall not substitute any MBE or WBE subcontractor without the prior written approval of the City's Department of Housing ("DOH").

(d) The Contractor shall deliver quarterly reports to the Owner and DOH during the Work 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 Contractor in connection with the Work, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Work, a description of the labor performed or products or services supplied, the date and amount of such labor, product or service, and such other information as may assist the Owner and DOH in determining the Contractor's compliance with this MBE/WBE commitment. The Contractor shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Work for at least five years after completion of the Work, and the Owner and DOH shall have access to all such records maintained by the Contractor, on five Business Days' notice, to allow the Owner and DOH to review the Contractor's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Work.

(e) Upon the disqualification by the City of any MBE or WBE subcontractor, if such status was misrepresented by the disqualified party, the Contractor shall be obligated to discharge or cause to be discharged the disqualified subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver by the City of the Contractor's MBE/WBE commitment as described in this Section 3 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of the Work, the Contractor and all major subcontractors shall be required to meet with the monitoring staff of DOH with regard to the Owner's MBE/WBE commitment under that certain Housing Loan Agreement between the City and the Owner in connection with the Work (the "Loan Agreement") and the Contractor's compliance with its obligations under this Section 3. During said meeting, the Owner and the Contractor shall demonstrate to DOH their plans to achieve their respective MBE/WBE obligations, the

sufficiency of which shall be approved by DOH. During the Work, the Contractor shall submit the documentation required by this Section 3 to the Owner and the monitoring staff of DOH. Failure to submit such documentation on a timely basis, or a determination by DOH, upon analysis of the documentation, that the Contractor is not complying with its obligations under this Section 3, shall, upon the delivery of written notice to the Owner, be deemed an Event of Default under the Loan Agreement and may be an event of default under the Agreement. Upon the occurrence of any such Event of Default, in addition to any other remedies provided under any of the Loan Documents (as defined in the Loan Agreement), the City may: (1) issue a written demand to the Owner to halt the Work, (2) withhold any further payment of any Loan (as defined in the Loan Agreement) proceeds to the Owner or the Contractor, or (3) seek any other remedies against the Owner available at law or in equity.

4. Contractor's Use of City Resident Workers. The Contractor shall ensure that at least 50 percent of the total hours worked on the site of the Project by employees of either the Contractor or any Subcontractor in connection with the Work shall be performed by residents of the City. The Contractor agrees to provide to the Owner and DOH documentation in form and substance satisfactory to DOH evidencing its compliance with this Section 4. The Contractor shall ensure that adequate residency records are available for inspection by the Owner and DOH upon reasonable notice for the period from the date hereof through the third anniversary of completion of the Project.

5. Lead-Based Paint. The Project shall constitute HUD-associated housing for purposes of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. Section 4821 et seq., as amended, supplemented and restated from time to time), and comply with the requirements thereof to the extent provided under applicable federal regulations, including without limitation the requirements of notice to tenants, prohibition of the use of lead-based paint and for the elimination of the hazards of lead-based paint. Any lead-based paint and defective paint debris shall be disposed of in accordance with applicable federal, state and local requirements.

6. No Conflict of Interest. No individual who is an employee, agent, consultant, officer or elected or appointed official of the City (and no individual who was an employee, agent, consultant, officer or elected or appointed official within one year prior to the date of the Agreement) and who exercises or has exercised any functions or responsibilities with respect to activities assisted with City funds or who is or was in a position to participate in a decision-making process or gain inside information with regard to such activities, has obtained, is obtaining or will obtain a financial interest or benefit from the Work, or has or will have any interest in the Agreement or any contract, subcontract or agreement with respect to the Project, or the proceeds thereunder, either for himself or for those with whom he has family or business ties.

7. All Applicable Laws. The Contractor shall be subject to, obey and adhere to any and all federal, state and local laws, statues, ordinances, rules, regulations and executive orders as are now or may be in effect during the term of the Agreement which may be applicable to the Contractor, the Work or the Project, including but not limited to the Copeland "Anti-kickback" Act, 18 U.S.C. Section 874, as supplemented by United States Department of Labor regulations

at 29 C.F.R. Part 3, and all environmental laws, all as amended, supplemented and restated from time to time.

8. Third-Party Beneficiary. With respect to the provisions of this Rider, the City (1) is a third-party beneficiary, (2) is intended to receive a direct benefit in its capacity as a third-party beneficiary, and (3) shall have the same rights and remedies as the Owner to enforce the provisions of this Rider.

9. Insurance. The Contractor agrees that it shall procure and maintain insurance in such kinds and amounts as shall be required by the City and shall provide the City with a certificate of insurance evidencing such coverages and showing the City as an additional insured with respect to such policies as the City shall request.

10. Labor Standards. The applicable provisions are set forth in detail in Form HUD-4010 and the U.S. Secretary of Labor's wage determination, which are attached hereto and hereby made a part hereof. The Contractor shall comply with the provisions thereof and shall ensure that Form HUD-4010 and the U.S. Secretary of Labor's wage determination are attached to and incorporated in all bid specifications and subcontracts with respect to the Project, to the extent and as required in Form HUD-4010. In the event of any issues or disputes arising with respect to amounts due as wages to be paid in connection with the Project and/or as liquidated damages under the Contract Work Hours and Safety Standards Act, the Contractor agrees to execute, or cause the applicable subcontractor to execute, a Labor Standards Deposit Agreement (in the form attached hereto or such other form as shall be specified by the City) and to deposit, or cause to be deposited, funds in the amount designated by the City, to be held and disbursed as specified in such Labor Standards Deposit Agreement.

11. Housing Act Section 3. (a) As used in this Section 11, (1) "Housing Act Section 3" shall mean Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. Section 1701u, as amended, supplemented and restated from time to time; and (2) "Section 3 Regulations" shall mean 24 C.F.R. Part 135, and such additional regulations, orders, rulings, interpretations and directives in connection with Housing Act Section 3 as may be promulgated or issued by HUD from time to time.

(b) The Work is subject to the requirements of Housing Act Section 3. The purpose of Housing Act Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Housing Act Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income individuals, particularly individuals who are recipients of HUD assistance for housing.

(c) The Owner and the Contractor hereby agree to comply with the Section 3 Regulations in connection with the Work. As evidenced by their execution of the Agreement, the parties to the Agreement hereby certify that they are under no contractual or other impediment that would prevent them from complying with the Section 3 Regulations in connection with the Work.

(d) The Contractor hereby agrees to (1) send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, and which concerns workers whose positions are subject to compliance with the Section 3 Regulations in connection with the Work, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 11, and (2) post copies of the notice in conspicuous places at the Work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Housing Act Section 3 preference and shall set forth: (i) the minimum number of jobs and job titles subject to hire, the availability of apprenticeship and training positions, and the qualifications for each; (ii) the name and location of the person(s) taking applications for each of the positions; and (iii) the anticipated date the Work shall begin.

(e) The Contractor hereby agrees to (1) include the language contained in this Section 11 (substituting the terms "Subcontractor" and "Contractor" for the terms "Contractor" and "Owner," respectively, wherever the former terms appear in this Section 11) in every subcontract entered into by the Contractor in connection with the Work and subject to compliance with the Section 3 Regulations, and (2) take appropriate action, as provided in an applicable provision of such subcontract or in this Section 11, upon a finding that any person or entity with whom the Contractor contracts is in violation of the Section 3 Regulations. The Contractor covenants and agrees that the Contractor shall not contract with any person or entity in connection with the Work where the Contractor has notice or knowledge that such person or entity has been found in violation of the Section 3 Regulations.

(f) The Contractor hereby certifies that any vacant employment positions in connection with the Work, including training positions, that were filled prior to the Closing Date (as defined in the Loan Agreement) and with persons or entities other than those to whom the Section 3 Regulations require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under the Section 3 Regulations.

(g) Noncompliance with the Section 3 Regulations may result in sanctions, including, but not limited to, the declaration by the City of an event of default under the Loan Documents and the exercise by the City of its remedies thereunder, as well as debarment or suspension of the non-complying party from future HUD-assisted contracts.

12. Open Dumping: Environmental Restriction. (a) The removal of all recyclable material and garbage, refuse or other waste material, including but not limited to broken concrete, bricks, rock, paving asphalt and incidental debris generated from all construction or demolition activities performed under the Agreement to which this Rider is attached, must be transported to a facility that is properly zoned and permitted to accept such material pursuant to Section 11-4 of the Municipal Code of Chicago and all other applicable local, state and federal laws and regulations. Bills of lading, manifests or other confirmatory receipts signed by a representative of the accepting facility for each load of material must be retained by the Contractor and made available to the City upon request. The Contractor shall complete and provide to the City an affidavit, in the form attached hereto and marked as "DISPOSAL AFFIDAVIT," at the time of the final payment to the Contractor for the Work.

(b) Neither the Contractor nor any "Affiliated Entity" (as defined below) of the Contractor has, during a period of five years prior to the date of execution of this Rider, (1) violated or engaged in any conduct which violated Sections 7-28-440 or 11-4-1500 or Article XIV of Chapter 11-4 or Chapters 7-28 or 11-4 of the Municipal Code of Chicago or any other "Environmental Restriction" (as defined below); (2) received notice of any claim, demand or action, including but not limited to citations and warrants, from the City, the State of Illinois, the federal government, any state or political subdivision thereof, or any agency, court or body of the federal government or any state or political subdivision thereof, exercising executive, legislative, judicial, regulatory or administrative functions, relating to a violation or alleged violation of Sections 7-28-440 or 11-4-1500 or Article XIV of Chapter 11-4 or Chapters 7-28 or 11-4 of the Municipal Code of Chicago or any other Environmental Restriction; or (3) been subject to any fine or penalty of any nature for failure to comply with Section 7-28-440 or 11-4-1500 or Article XIV of Chapter 11-4 or Chapters 7-28 or 11-4 of the Municipal Code of Chicago or any other Environmental Restriction.

(c) "Affiliated Entities" are affiliated if, directly or indirectly, one controls or has the power to control the other, or if a third person controls or has the power to control both entities. Indicia of control include without limitation: interlocking management or ownership identity of interests among family members; shared facilities and equipment; common use of employees; or organization of another business entity using substantially the same management, ownership or principals as the first entity.

(d) "Environmental Restriction" means any statute, ordinance, rule, regulation, permit, permit condition, order or directive relating to or imposing liability or standards of conduct concerning the release or threatened release of hazardous materials, special wastes or other contaminants into the environment, and to the generation, use, storage, transportation or disposal of construction debris, bulk waste, refuse, garbage, solid wastes, hazardous materials, special wastes or other contaminants, including but not limited to (1) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 *et seq.*); (2) the Hazardous Materials Transportation Act (49 U.S.C. § 1801 *et seq.*); (3) the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 *et seq.*); (4) the Clean Water Act (33 U.S.C. § 1251 *et seq.*); (5) the Clean Air Act (42 U.S.C. § 7401 *et seq.*); (6) the Toxic Substances Control Act of 1976 (15 U.S.C. § 2601 *et seq.*); (7) the Safe Drinking Water Act (42 U.S.C. § 300f *et seq.*); (8) the Occupational Health and Safety Act of 1970 (29 U.S.C. § 651 *et seq.*); (9) the Emergency Planning and Community Right to Know Act (42 U.S.C. § 11001 *et seq.*); and (10) the Illinois Environmental Protection Act (415 ILCS 5/1 through 5/56.6).

(e) The Contractor has obtained certifications in form and substance equal to Section 12(a)-(b) hereof from all Subcontractors that the Contractor presently intends to use in connection with the Project. As to Subcontractors to be used in connection with the Project who are not yet known to the Contractor, the Contractor shall obtain certifications in form and substance equal to Section 12(a)-(b) hereof from all such parties prior to using them in connection with the Project.

(f) The Contractor shall not, without the prior written consent of the City, use any Subcontractor in connection with the Project if the Contractor, based on information contained in such party's certification or any other information known or obtained by the Contractor, has reason to believe that such Subcontractor has, within the preceding five years, been in violation of any Environmental Restriction, received notice of any claim relating to a violation of an Environmental Restriction, or been subject to any fine or penalty for a violation of an Environmental Restriction.

(g) Further, the Contractor shall not, without the prior written consent of the City, use as a Subcontractor in connection with the Project any person or entity from which the Contractor is unable to obtain certifications in form and substance equal to Section 12(a)-(b) hereof or which the Contractor has reason to believe cannot provide truthful certifications.

13. Restriction on Lobbying. (a) The Contractor hereby certifies, that except as disclosed below, there are no persons registered under the Lobbying Disclosure Act of 1995, 2 U.S.C. § 1601 *et seq.* (the "Disclosure Act"), who have made lobbying contacts on behalf of the Contractor with respect to the Project. If no persons are disclosed below, it shall be conclusively presumed that the Contractor certifies that there are no such persons.

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(b) The Contractor certifies that it has not and shall not expend any Federal appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, as defined by applicable Federal law, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement. Accordingly, the Contractor has not used any Federal appropriated funds to pay any person listed in Section 13(a) above for his/her lobbying activities in connection with the Project.

(c) The Contractor shall submit an updated certification to the Owner at the end of each calendar quarter in which there occurs any event that materially affect the accuracy of the statements and information set forth in paragraphs (a) and (b) above.

(d) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the Transaction, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(e) Either (1) the Contractor is not an organization described in Section 501(c)(4) of the Internal Revenue Code of 1986; or (2) the Contractor is an organization described in Section

501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and shall not engage in "lobbying activities," as defined in the Disclosure Act.

(f) The Contractor shall require that the language of this Section 13 be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

(g) The certification contained in this Section 13 is a material representation of fact upon which reliance is placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

14. No bribery, bid-rigging, etc. The Contractor hereby represents and certifies as follows:

(a) The Contractor, or any party to be used in the performance of the Work (an "Applicable Party"), or any Affiliated Entity of either the Contractor or any Applicable Party, or any responsible official thereof, or any other official, agent or employee of the Contractor, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official thereof, has not within the last three years (1) bribed or attempted to bribe, or been convicted of bribery or attempting to bribe a public officer or employee of the City, the State of Illinois or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity; (2) agreed or colluded, or been convicted of agreement or collusion among bidders or prospective bidders in restraint of freedom of competition by agreement to bid a fixed price, or otherwise; or (3) made an admission of such conduct described in (1) or (2) above which is a matter of record, but has not been prosecuted for such conduct.

(b) The Contractor has obtained from all Applicable Parties, known by the Contractor at this time, certifications in form and substance equal to paragraph (a) above. Based on such certifications and any other information known or obtained by the Contractor, the Contractor is not aware of any such Applicable Party, any Affiliated Entity of such Applicable Party, or any agent, partner, employee or officer of such Applicable Party or Affiliated Entity having (1) engaged in or been convicted of any of the conduct described in Section 14(a)(1) or (2) above; (2) engaged in or been convicted of bid-rigging, bid-rotating, or any similar offense of any state of the United States of America which contains the same elements as bid-rigging and bid-rotating; or (3) made an admission of the conduct described in Section 14(a)(1) or (2) above which is a matter of record, but not been prosecuted for such conduct.

(c) The Contractor shall, prior to using them in connection with the Work, obtain from all Applicable Parties to be used in connection with the Work but not known by the Contractor at this time, certifications in form and substance equal to paragraph (a) above. The Contractor shall not, without the prior written permission of the City, use any of such Applicable Parties in connection with the Work if the Contractor, based on such certifications or any other information

known or obtained by the Contractor, becomes aware of such Applicable Party, any Affiliated Entity of such Applicable Party, or any agent, partner, employee or officer of such Applicable Party or Affiliated Entity having (1) engaged in or been convicted of any of the conduct described in Section 14(a)(1) or (2) above; (2) engaged in or been convicted of bid-rigging, bid-rotating, or any similar offense of any state of the United States of America which contains the same elements as bid-rigging and bid-rotating; or (3) made an admission of the conduct described in Section 14(a)(1) or (2) above which is a matter of record, but not been prosecuted for such conduct.

(d) For all Applicable Parties, the Contractor shall maintain for the term of the Agreement all certifications of all Applicable Parties required by Section 14(b) and (c) above, and the Contractor shall make such certifications promptly available to the City upon request.

(e) The Contractor shall not, without the prior written consent of the City, use as an Applicable Party any individual, firm, partnership, corporation, joint venture or other entity from whom the Contractor is unable to obtain a certification in form and substance equal to paragraph (a) above.

(f) The Contractor hereby agrees, if the City so demands, to terminate its contract with any Applicable Party, if such Applicable Party was ineligible at the time the contract was entered into for award of such contract, if applicable, under Section 2-92-320 of the Municipal Code, or if applicable, under Section 33-E of Article 33 of the State of Illinois Criminal Code of 1961, as amended, supplemented and restated from time to time. The Contractor shall insert adequate provisions in all contracts to allow it to terminate such contracts as required by this Section 14(f).

(g) The Contractor understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2-156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).

(h) Neither the Contractor nor any employee, official, agent or partner of the Contractor is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3, as amended, supplemented and restated from time to time; (2) bid-rotating in violation of 720 ILCS 5/33E-4, as amended, supplemented and restated from time to time; or (3) any similar offense of any state or of the United States of America which contains the same elements as the offense of bid-rigging or bid-rotating.

15. Nonsegregated Facilities. (a) The Contractor certifies that it does not and shall not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and shall not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this certification is a violation of the Equal Opportunity clause.

(b) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by

explicit directive or are in fact segregated on the basis of race, color, religion or national origin because of habit, local custom or otherwise.

(c) The Contractor further agrees that it shall obtain or cause to be obtained identical certifications from proposed Subcontractors in connection with the Project before the award of subcontracts under which the Subcontractor will be subject to the equal opportunity clause. Contracts and Subcontracts exceeding \$10,000, or having an aggregate value exceeding \$10,000 in any 12-month period, are generally subject to the equal opportunity clause. See 41 C.F.R. Part 60 for further information regarding the equal opportunity clause.

(d) The Contractor shall forward or cause to be forwarded the following notice to proposed contractors and subcontractors:

**NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENTS FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES**

A Certification of Nonsegregated Facilities must be submitted before the award of a contract/subcontract under which the contractor/subcontractor will be subject to the Equal Opportunity clause. The certifications may be submitted either for each contract/subcontract or for all contracts/subcontracts during a period (e.g., quarterly, semiannually or annually).

16. Equal Employment Opportunity. Federal regulations require that certain Contractors and proposed Subcontractors submit the following information with their bids or in writing at the outset of negotiations:

A. Do you have 50 or more employees?

Yes             No

If yes, please complete B through D below. If no, no further information is required.

B. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 C.F.R. Part 60-2.)

Yes             No

C. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes             No

D. If the answer to (C) is yes, have you filed with the Joint Reporting Committee, the Director of OFCC, any federal agency, or the former President's Committee on Equal Employment Opportunity, all reports due under the applicable filing requirements of these organizations?

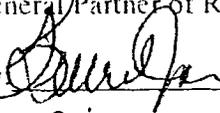
Yes             No

**OWNER:**

RPA Limited Partnership,  
an Illinois limited partnership

By: LCDC Safeway II, LLC, an Illinois  
limited liability company and its general partner

By: Lawndale Christian Development Corporation,  
an Illinois corporation, a manager of the  
General Partner of RPA Limited Partnership

By:  \_\_\_\_\_

Its: Director

**CONTRACTOR:**

Safeway Keeley IV, LLC,  
an Illinois limited liability company

By:  \_\_\_\_\_

Its: Managing Member

**DISPOSAL AFFIDAVIT  
CITY OF CHICAGO  
DEPARTMENT OF HOUSING  
CONSTRUCTION ADMINISTRATION SECTION**

**CONTRACTOR'S AFFIDAVIT REGARDING REMOVAL OF ALL  
WASTE MATERIALS AND IDENTIFICATION OF LEGAL DUMP SITES**

Contractor to show here the name and location of the ultimate disposal site he / she is proposing to use for the subject project: \_\_\_\_\_

**SPECIFY THE TYPE OF MATERIALS TO BE DISPOSED OF:**

**LEGAL NAME OF LANDFILL / DISPOSAL SITE:**

(The Contractor must provide the Commissioner or his / her designated representative with copies of all dump tickets, manifests, etc.)

**LOCATION ADDRESS:**

**PHONE: (        )**

**CONTACT PERSON:**

Disposal sites submitted shall be of sufficient capacity as to ensure acceptance of the volume of Construction and/or Demolition Debris received for the period of this contract. These disposal sites must meet all zoning and other requirements that may be necessary.

If requested by the Chief Procurement Officer, the Contractor shall submit, copies of all contractual agreements, sanitary landfill permits and/or licenses for those disposal site(s) proposed by the Contractor.

Contractor's Name:

Address:

Authorized Signature:

Title:

Print Name: \_\_\_\_\_ Date:

Project Address:

Owner / Developer:

**DOH USE ONLY**

**PROGRAM:**

Multi-Unit

E. H. A. P.

Facade

Single Family

B. I. L. P.     Other:

Date Received: \_\_\_\_\_

**FORM HUD-4010**

see attached

## Applicability

The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

**A. 1. (i) Minimum Wages.** All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible, place where it can be easily seen by the workers.

(ii) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where

appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)

(c) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

**2. Withholding.** HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part

of the wages required by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the contractor, disburse such amounts withheld for and on account of the contractor or subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

**3. (i) Payrolls and basic records.** Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

**(ii) (a)** The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i). This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

**(b)** Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

**(1)** That the payroll for the payroll period contains the information required to be maintained under 29 CFR 5.5 (a)(3)(i) and that such information is correct and complete;

**(2)** That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll

period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

**(3)** That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

**(c)** The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

**(d)** The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

**(iii)** The contractor or subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

#### **4. Apprentices and Trainees.**

**(i) Apprentices.** Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the

journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) **Trainees.** Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) **Equal employment opportunity.** The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

**5. Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

**6. Subcontracts.** The contractor or subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 of this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this paragraph.

**7. Contract termination; debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

**8. Compliance with Davis-Bacon and Related Act Requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract

**9. Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

**10. (i) Certification of Eligibility.** By entering into this contract the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration . . . makes, utters or publishes any statement knowing the same to be false . . . shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

**11. Complaints, Proceedings, or Testimony by Employees.** No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

**B. Contract Work Hours and Safety Standards Act.** The provisions of this paragraph B are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

**(1) Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

**(2) Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in subpara-

graph (1) of this paragraph, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in sub paragraph (1) of this paragraph.

**(3) Withholding for unpaid wages and liquidated damages.** HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contract, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

**(4) Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

**C. Health and Safety.** The provisions of this paragraph C are applicable only where the amount of the prime contract exceeds \$100,000.

**(1)** No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

**(2)** The Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, 40 USC 3701 et seq.

**(3)** The Contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each subcontractor. The Contractor shall take such action with respect to any subcontract as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

SLAC

**APPLICABLE WAGE DETERMINATION**

see attached

General Decision Number: IL070009 07/20/2007 IL9

Superseded General Decision Number: IL20030009

State: Illinois

Construction Types: Building, Heavy, Highway and Residential

County: Cook County in Illinois.

BUILDING, RESIDENTIAL, HEAVY, AND HIGHWAY PROJECTS (does not include landscape projects).

Modification Number	Publication Date
0	02/09/2007
1	03/09/2007
2	06/01/2007
3	07/06/2007
4	07/13/2007
5	07/20/2007

ASBE0017-001 06/01/2007

	Rates	Fringes
Hazardous Material Handler includes preparation, wetting, stripping removal scrapping, vacuuming, bagging and disposal of all insulation materials, whether they contain asbestos or not, from mechanical systems.....	\$ 26.00	15.48
Insulator/asbestos worker Includes the application of all insulating materials, protective coverings, coatings, and finishes to all types of mechanical systems.....	\$ 37.15	19.18

BOIL0001-001 07/01/2004

	Rates	Fringes
BOILERMAKER.....	\$ 35.07	16.26

BRIL0021-001 06/01/2007

	Rates	Fringes
Bricklayer.....	\$ 36.43	16.72

BRIL0021-004 06/01/2007

	Rates	Fringes
Marble Mason.....	\$ 36.43	16.72
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BRIL0052-001 06/01/2007		

	Rates	Fringes
Pointer, cleaner and caulker.....	\$ 36.90	14.66
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CARP0555-001 06/01/2004		

	Rates	Fringes
Carpenter CARPENTERS, LATHERS, MLLWRIGHTS, PILEDRIVER, & SOFT FLOOR LAYERS.....	\$ 34.32	10.93
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CARP0555-002 10/01/2004		

	Rates	Fringes
Carpenter (Excluding structures with elevators and structures over 3 1/2 stories)....	\$ 34.32	10.91
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\* ELEC0009-003 05/28/2007

	Rates	Fringes
Line Construction Groundman.....	\$ 29.09	18.63
Lineman and Equipment Operator.....	\$ 37.30	23.89
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ELEC0134-001 06/06/2005		

	Rates	Fringes
BUILDING CONSTRUCTION Electricians.....	\$ 35.15	18.42
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ELEC0134-002 04/01/1998		

	Rates	Fringes
Electrician ((CLASS B) (Install magnetic or electronic replacement ballasts either singly or in groups including necessary wiring within fixture; Install replacement lamp holders and/or sockets including necessary wiring		

within fixture including  
relocating sockets within  
fixture; Install replacement  
lighting circuit breakers  
where necessary; Install  
replacement lighting switches  
where necessary; Repair  
lighting fixtures other than  
ballast or socket  
replacements; Rewire  
chandeliers or incandescent  
fixtures only within fixtures  
themselves.).....\$ 20.71                    2.975+a+b

FOOTNOTES:

a-Paid Vacation- Employees who have been employed for one year but less than three years receive 1 week of paid vacation; employees who have been employed three years but less than ten years receive 2 weeks of paid vacation; Employees who have been employed ten years but less than twenty years receive 3 weeks of paid vacation; and employees who have worked twenty or more years receive 4 weeks of paid vacation.

b-Funeral Leave-In the instance of the death of a mother, other-in-law; father, father-in-law, sister, brother, husband, wife, or a child of an employee shall receive up to three days of paid funeral leave.

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ELEC0134-003 06/07/2004

	Rates	Fringes
Electrician		
ELECTRICAL TECHNICIAN.....	\$ 30.89	12.59

The work shall consist of the installation, operation, inspection, maintenance, repair and service of radio, television, recording, voice sound vision production and reproduction, telephone and telephone interconnect, facsimile, data apparatus, coaxial, fibre optic and wireless equipment, appliances and systems used for the transmission and reception of signals of any nature, business, domestic, commercial, education, entertainment and residential purposes, including but not limited to communication and telephone, electronic and sound equipment, fibre optic and data communication systems, and the performance of any task directly related to such installation or service whether at new or existing sites, such tasks to include the placing of wire and cable and electrical power conduit or other raceway work within the equipment room and pulling wire and/or cable through conduit and the installation of any incidental conduit.

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ELEV0002-003 07/03/2004

	Rates	Fringes
Elevator Mechanic.....	\$ 37.245	10.765+A+B

FOOTNOTES:

A. Eight paid holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Day after Thanksgiving; Veterans' Day and Christmas Day.

B. Employer contributes 8% of regular basic hourly rate as vacation pay credit for employees with more than 5 years of service; and 6% for 6 months to 5 years of service.

\* ENGI0150-006 06/01/2006

	Rates	Fringes
Power equipment operators:		
GROUP 1.....	\$ 41.55	15.05
GROUP 2.....	\$ 40.25	15.05
GROUP 3.....	\$ 37.70	15.05
GROUP 4.....	\$ 35.95	15.05

POWER EQUIPMENT OPERATORS CLASSIFICATIONS

GROUP 1: Mechanic; Asphalt Plant\*; Asphalt Spreader; Autograde\*; Backhoes with Caisson attachment\*; Batch Plant\*; Benoto(Requires two Engineers); Boiler and Throttle Valve; Caisson Rigs\*; Central Redi-Mix Plant\*; Combination Backhoe Front Endloader Machine; Compressor and Throttle Valve; Concrete Breaker (Truck Mounted)\*; Concrete Conveyor; Concrete Conveyor, Truck Mounted; Concrete Paver over 27E cu. ft.\*; Concrete Paver 27E cu ft and Under\*; Concrete Placer\*; Concrete Placing Boom; Concrete Pump (Truck Mounted); Concrete Tower; Cranes\*; Cranes, Hammerhead\*; Cranes, (GCI and similar type Requires two operators only); Creter Crane; Crusher, Stone, etc; Derricks; Derricks, Traveling\*; Formless Curb and Gutter Machine\*; Grader, Elevating; Grouting Machines; Highlift Shovels or Front Endloader 2 1/4 yd. and over; Hoists, Elevators, Outside Type Rack and pinion and similar Machines; Hoists, One, Two, and Three Drum; Hoists, Two Tugger One Floor; Hydraulic Backhoes\*; Hydraulic Boom Trucks; Hydraulic Vac (and similar equipment); Locomotives; Motor Patrol\*; Pile Drivers amd Skid Rig\*; Post Hole Digger; Pre- Stress Machine; Pump Cretes Dual Ram(Requiring frequent Lubrication and Water); Pump Cretes; Squeeze Cretes-Screw Type Pumps Gypsum Bulker and Pump; Raised and Blind Hole Drill\*; Roto Mill Grinder (36" and Over)\*; Roto Mill Grinder (Less Than 36")\*; Scoops-Tractor Drawn; Slip-Form Paver\*; Straddle Buggies; Tournapull; Tractor with Boom, and Side Boom; and Trenching Machines\*.

GROUP 2: Bobcat (over 3/4 cu yd); Boilers; Broom, Power Propelled; Bulldozers; Concrete Mixer (Two Bag and over); Conveyor, Portable; Forklift Trucks; Greaser Engineer;

Highlift Shovels or Front End loaders under 2 1/4 cu yd;  
 Automatic Hoists, Hoists, Inside Elevators; Hoists, Sewer  
 Dragging Machine; Hoists, Tugger Single Drum; Laser Screed;  
 Rock Drill (Self-Propelled); Rock Drill (Truck Mounted)\*;  
 Rollers; Steam Generators; Tractors; Tractor Drawn  
 Vibratory Roller (Receives an additional \$.50 per hour);  
 Winch Trucks with "A" Frame.

GROUP 3: Air Compressor-Small 250 and Under (1 to 5 not to  
 exceed a total of 300 ft); Air Compressor-Large over 250;  
 Combination-Small Equipment Operator; Generator- Small 50  
 kw and under; Generator-Large over 50 kw; Heaters,  
 Mechanical; Hoists, Inside Elevators (Remodeling or  
 Renovatin work); Hydrualic Power Units (Pile Driving,  
 Extracting, and Drilling); Low Boys; Pumps Over 3" (1 To 3  
 not to exceed a total of 300 ft); Pumps, Well Points;  
 Welding Machines (2 through 5); Winches, 4 Small Electric  
 Drill Winches; Bobcat (up to and including 3/4 cu yd)

GROUP 4 - Bobcats and/or other Skid Steer Loaders; Brick  
 Forklifts; Oilers

\*-Requires Oiler

\* ENGI0150-025 06/01/2006

	Rates	Fringes
Power equipment operators:		
GROUP 1.....	\$ 39.75	15.05
GROUP 2.....	\$ 39.20	15.05
GROUP 3.....	\$ 37.15	15.05
GROUP 4.....	\$ 35.75	15.05
GROUP 5.....	\$ 34.55	15.05

POWER EQUIPMENT OPERATORS CLASSIFICATIONS

GROUP 1: Asphalt Plant\*; Asphalt Heater and Planer  
 combination; Asphalt Heater Scarfire\*,Asphalt Spreader;  
 Autograder/ GOMACO or similar; ABG Paver\*, Backhoes with  
 Caisson attachment\*, Ballast Regulator,Belt Loader\*;Caisson  
 Rigs\*Car Dumper, Central Redi-Mix Plant\*,Combination  
 Backhoe; Front End Loader Machine (1 cu yd or over Backhoe  
 bucket or with attachments); Concrete Breaker (truck  
 mounted);Concrete Conveyor; Concrete Paver over 27E cu ft\*;  
 Concrete Placer\*; Concrete Tube Float; Cranes, all  
 attachments\*; Cranes, Hammerhead, Linden, Peco and machines  
 of a like nature\*; Creter Crane; Crusher, stone; All  
 Derricks; Derrick Boats; Derricks, traveling\*; Dowell  
 Machine with Air Compressor (\$1.00 above Class 1);  
 Dredges\*; Field Mechanic Welder; Formless Curb and Gutter  
 Machine\*; Gradall and machines of a like nature\*; Grader,  
 Elevating; Grader, Motor Grader, Motor Patrol, Auto Patrol,  
 Form Grader, Pull Grader, Subgrader; Guard Rail Post Driver  
 mounted\*; Hoists, one, two, and three Drum; Hydraulic  
 Backhoes\*; Backhoes with Shear attachments\*; Mucking  
 Machine; Pile Drivers and Skid Rig\*; Pre-Stress Machine;

Pump Cretes Dual Ram (requires frequent lubrication and water)\*; Rock Drill- Crawler or Skid Rig\*; Rock Drill truck mounted\*; Rock/ Track Tamper; Roto Mill Grinder, (36" and over)\*; Slip-Form Paver\*; Soil Test Drill Rig, truck mounted\*; Straddle Buggies; Hydraulic Telescoping Form (tunnel); Tractor Drawn Belt Loader\*; Tractor Drawn Belt Loader with attached Pusher(two engineers); Tractor with boom; Tractaire with attachment; Traffic Barrier Transfer Machine\*; Trenching Machine; Truck Mounted Concrete Pump with boom\*; Underground Boring and/or Mining Machines 5 ft in diameter and over tunnel, etc.\*; Wheel Excavator\* & Widener (Apsco); Raised or Blind Hoe Drill, Tunnel & Shaft\*

GROUP 2: Batch Plant\*; Bituminous Mixer; Boiler and Throttle Valve; Bulldozer; Car Loader Trailing Conveyors; Combination Backhoe Front End Loader Machine, (less than 1 cu yd Backhoe Bucket with attachments); Compressor and Throttle Valve; Compressor, common receiver (3); Concrete Breaker or Hydro Hammer; Concrete Grinding Machine; Concrete Mixer or Paver 7S series to and including 27 cu ft; Concrete Spreader; Concrete Curing Machine; Burlap Machine; Belting Machine and Sealing Machine; Concrete Wheel Saw; Conveyor Muck Cars (Haglund or similar type); Drills (all); Finishing Machine-Concrete; Greaser Engineer; Highlift Shovels or Front End Loader; Hoist- Sewer Dragging Machine; Hydraulic Boom Trucks, all attachments; Hydro-Blaster (requires two operators); Laser Screed\*; Locomotives, Dinky; Off-Road Hauling Units (including articulating); Pump Cretes; Squeeze Cretes-Screw Type pumps, Gypsum Bulker and Pump; Roller Asphalt; Rotary Snow Plows; Rototiller, Seaman, self-Propelled; Scoops-Tractor Drawn; Self-propelled Compactor; Spreader-Chip-Stone; Scraper; Scraper-Prime Mover in Tandem regardless of size (add \$1.00 to Group 2 hourly rate for each hour and for each machine attached thereto add \$1.00 to Group 2 hourly rate for each hour); Tank Car Heater; Tractors, Push, pulling Sheeps Foot, Disc, or Compactor, etc; Tug Boats

GROUP 3: Boilers; Brooms, all power propelled; Cement Supply Tender; Compressor, Common Receiver (2); Concrete Mixer, two bag and over; Conveyor, Portable; Farm type Tractors used for mowing, seeding, etc; Fireman on Boilers; Forklift Trucks; Grouting Machines; Hoists, Automatic; Hoists, all Elevators; Hoists, Tugger single Drum; Jeep Diggers; Low Boys; Pipe Jacking Machines; Post-hole Digger; Power Saw, Concrete, Power Driven; Pug Mills; Rollers, other than asphalt; Seed and Straw Blower; Steam Generators; Stump Machine; Winch Trucks with A-Frame; Work Boats; Tamper-Form motor driven

GROUP 4: Air compressor - Small 250 and under (1 to 5 not to exceed a total of 300 ft); Air Compressor - Large over 250; Combination - Small Equipment Operator; Directional Boring Machine; Generators - Small 50 kw and under; Generators - Large , over 50 kw; Heaters, Mechanical; Hydraulic power unit (Pile Driving, Extracting or Drilling); Light Plants (1 to 5); Pumps, over 3" (1 to 3, not to exceed a total of

300 ft); Pumps, Well Points; Tractaire; Welding Machines (2 through 5); Winches, 4 small electric drill winches;

GROUP 5: Bobcats (All); Brick Forklifts; Oilers; Directional Boring

\*-Requires Oiler

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IRON0001-026 06/01/2007

	Rates	Fringes
Ironworker (Structural and Reinforcing).....	\$ 39.25	22.99

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IRON0063-001 06/01/2004

	Rates	Fringes
Ironworker, Ornamental.....	\$ 32.30	17.09

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\* IRON0063-002 06/01/2007

	Rates	Fringes
Ironworker		
Fence Erector.....	\$ 28.64	14.07
Metal Fence Erector.....	\$ 22.54	12.04

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IRON0136-001 07/01/2002

	Rates	Fringes
Ironworker		
Machinery Movers & Riggers..	\$ 23.65	17.42
Master Riggers.....	\$ 25.40	17.42

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LABO0002-006 06/01/2004

	Rates	Fringes
Laborers:		
LABORERS (BUILDING & RESIDENTIAL) :		
GROUP 1.....	\$ 29.00	9.97
GROUP 2.....	\$ 28.90	9.97
GROUP 3.....	\$ 29.075	9.97
GROUP 4.....	\$ 29.10	9.97
GROUP 5.....	\$ 29.15	9.97
GROUP 6.....	\$ 29.20	9.97
GROUP 7.....	\$ 29.225	9.97
GROUP 8.....	\$ 29.325	9.97
GROUP 9.....	\$ 29.35	9.97
GROUP 10.....	\$ 29.45	9.97
GROUP 11.....	\$ 29.575	9.97
GROUP 12.....	\$ 29.65	9.97

LABORERS CLASSIFICATIONS (BUILDING & RESIDENTIAL)

GROUP 1: Building Laborers; Plasterer Tenders; Pumps for Dewatering; and other unclassified laborers.

GROUP 2: Fireproofing and Fire Shop laborers.

GROUP 3: Cement Gun.

GROUP 4: Chimney over 40 ft.; Scaffold Laborers.

GROUP 5: Cement Gun Nozzle Laborers (Gunite); Windlass and capstan person.

GROUP 6: Stone Derrickmen & Handlers.

GROUP 7: Jackhammermen; Power driven concrete saws; and other power tools.

GROUP 8: Firebrick & Boiler Laborers.

GROUP 9: Chimney on fire brick; Caisson diggers; & Well Point System men.

GROUP 10: Boiler Setter Plastic Laborers.

GROUP 11: Jackhammermen on fire brick work only.

GROUP 12: Dosimeter use (any device) monitoring nuclear exposure); Asbestos Abatement Laborer; Toxic and Hazardous Waste Removal Laborers.

LABO0002-007 06/01/2004

	Rates	Fringes
Laborers:		
LABORERS (HEAVY AND HIGHWAY):		
GROUP 1.....	\$ 29.00	9.97
GROUP 2.....	\$ 29.075	9.97
GROUP 3.....	\$ 29.15	9.97
GROUP 4.....	\$ 29.275	9.97
GROUP 5.....	\$ 29.655	9.97

LABORERS CLASSIFICATIONS

GROUP 1: Common laborer; Tenders; Material expeditor (asphalt plant); Street paving, Grade separation, sidewalk, curb & gutter, strippers & All laborers not otherwise mentioned

GROUP 2: Ashpalt tampers & smoothers; Cement gun laborers

GROUP 3: Cement Gun Nozzle (laborers)  
Gunite

GROUP 4: Rakers, Lutemen; Machine-Screwmen; Kettlemen; Mixer-men; Drun-men; Jackhammermen (asphalt); Paintmen; Mitre box spreaders; Laborers on birch, overman and similar spreader equipment; Laborers on APSCO; Laborers on air compressor; Paving Form Setter; Jackhammermen (concrete); Power drive concrete saws; other power tools.

GROUP 5: Asbestos Abatement Laborers; Toxic and Hazardous Waste Removal Laborers, Dosimeter (any device) monitoring nuclear exposure

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LABO0002-008 06/01/2002

	Rates	Fringes
Laborers: (COMPRESSED AIR)		
0 - 15 POUNDS.....	\$ 29.00	6.67
16 - 20 POUNDS.....	\$ 30.50	6.67
21 - 26 POUNDS.....	\$ 31.00	6.67
27 - 33 POUNDS.....	\$ 32.00	6.67
34 - AND OVER.....	\$ 33.00	6.67

LABORERS CLASSIFICATIONS (TUNNEL)

GROUP 1: Cage tenders; Dumpmen; Flagmen; Signalmen; Top laborers.

GROUP 2: Air hoist operator; Key board operator; concrete laborer; Grout; Lock tenders (Free Air Side); Steel setters; Tuggers; Switchmen; Car pusher

GROUP 3: Concrete repairmen; Lock tenders (pressure side); Mortar men; Muckers; Grout machine operators; Track layers

GROUP 4: Air trac drill operator; Miner; Bricklayer tenders; Concrete blower operator; Drillers; Dynamiters; Erector operator; Form men; Jackhammermen; Powerpac; Mining machine operators; Mucking machine operator; Laser beam operator; Liner plate and ring setters; Shield drivers; Power knife operator; Welder- burners; Pipe jacking machine operator; skimmers; Maintenance technician.

GROUP 5: Asbestos abatement laborer; Toxic and hazardous waste removal laborer; Dosimeter (any device) monitoring nuclear exposure.

LABORERS CLASSIFICATIONS (SEWER)

GROUP 1: Signalmen; Top laborers and All other laborers

GROUP 2: Concrete laborers and Steel setters

GROUP 3: Cement carriers; Cement mixers; Concrete repairmen; Mortar men; Scaffold men; Second Bottom men

GROUP 4: Air trac drill operator; Bottom men; Bracers-bracing; Bricklayer tenders; Catch basin diggers;

Drainlayers; dynamiters; Form men; Jackhammermen; Powerpac;  
Pipelayers; Rodders; Welder-burners; Well point systems men

GROUP 5: Asbestos abatement laborer, Toxic and hazardous  
waste removal laborer; Dosimeter (any device) monitoring  
nuclear exposure

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LABO0225-001 06/01/2002

	Rates	Fringes
Laborers:		
(DEMOLITION/WRECKING)		
TOTAL DEMOLITION or dismatling of buildings and all structures in their entirety Burners, Wallmen, Power Tool and Equipment Operator.....\$ 22.70		
		6.67
Total Demolition Laborer...\$ 22.20		6.67

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MARB0025-001 06/01/2006

	Rates	Fringes
Tile Finisher.....\$ 28.52		11.51

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MARB0067-001 06/01/2006

	Rates	Fringes
Tile Setter.....\$ 34.60		12.84

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MARB0067-002 06/01/2006

	Rates	Fringes
Terrazzo Worker.....\$ 33.65		14.39

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MARB0087-001 06/01/2006

	Rates	Fringes
Marble Finisher.....\$ 26.73		14.86

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PAIN0014-001 06/01/2007

	Rates	Fringes
Painter		
Drywall Taper.....\$ 34.40		14.49
Painter, Brush, Decorator, and Paperhanger.....\$ 34.40		14.52

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PAIN0014-004 06/01/2007

	Rates	Fringes
Painter, Brush.....	\$ 34.40	14.52

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PAIN0027-001 06/01/2006

	Rates	Fringes
Glazier.....	\$ 33.00	17.49

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PLAS0005-002 06/01/2006

	Rates	Fringes
Plasterer.....	\$ 33.85	14.65

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PLAS0502-001 06/01/2007

	Rates	Fringes
Cement Mason.....	\$ 39.85	14.18

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PLUM0130-001 06/01/2006

	Rates	Fringes
Plumber.....	\$ 39.70	13.72

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PLUM0597-002 06/01/2007

	Rates	Fringes
Pipefitter.....	\$ 40.00	17.33

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ROOF0011-001 12/01/2006

	Rates	Fringes
Roofer.....	\$ 33.65	10.10

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SFIL0281-001 06/01/2007

	Rates	Fringes
Sprinkler Fitter.....	\$ 40.50	15.90

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SHEE0073-001 01/01/2007

	Rates	Fringes
Sheet Metal Worker.....	\$ 36.96	17.42

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SHEE0073-002 01/01/2007

	Rates	Fringes
Sheet Metal Worker		

ALUMINUM GUTTER WORK.....\$ 24.03 17.42

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TEAM0731-001 06/01/2004

	Rates	Fringes
Truck Driver		
2 & 3 Axles.....	\$ 28.05	7.81 +A+B
4 Axles.....	\$ 28.30	7.81 +A+B
5 Axles.....	\$ 28.50	7.81 +A+B
6 Axles.....	\$ 28.70	7.81 +A+B

FOOTNOTES FOR TRUCK DRIVERS (HEAVY & HIGHWAY):

A. Paid Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

B. 900 straight time hours or more in 1 calendar year for the same employer shall receive 1 week paid vacation; 3 years - 2 weeks paid vacation; 10 years - 3 weeks paid vacation; 20 years - 4 weeks paid vacation.

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TEAM0731-002 06/01/2002

	Rates	Fringes
Truck Driver (DEMOLITION)		
2 OR 3 Axles.....	\$ 25.90	7.00
4 Axles.....	\$ 26.15	7.00
5 Axles.....	\$ 26.35	7.00
6 Axles.....	\$ 26.55	7.00

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TEAM0731-003 05/01/1997

	Rates	Fringes
Traffic Control Device Monitor		
TRAFFIC SAFETY WORKERS:		
Traffic Safety Worker		
primary duties include but		
are not limited to the		
delivery, maintenance and		
pick-up of traffic control		
devices, the set-up and		
installation of traffic		
signs, pavement markings,		
barricades, crash barrels		
and glare screens, and		
traffic control		
surveillance, the repair		
and maintenance of the		
company's trucks, cars,		
arrow boards, message		
signs, barricade and sign		
fabrication equipment.....	\$ 16.15	108.75/wk+a

FOOTNOTE a:

1. The following paid holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day provided the employee has earned a vacation the previous year or have worked thirty-one days in the current year before the holiday, or have seniority as stated herein; work the scheduled work day before and the scheduled day after the holiday; work one day in the holiday week; and work one scheduled work day after the holiday.

2. Paid vacation is earned the first year of employment, but may not be taken until after their first anniversary date. One and two years of employment receive 40 hours of paid vacation; Three thru nine years of employment receive 80 hours of paid vacation; Ten thru nineteen years of employment receive 120 hours of paid vacation; and Twenty years and over receive 160 hours of paid vacation.

3. Personal time (floating holidays) will be earned on a per hour worked basis. New employees will earn personal time during the first year of employment, but may not be take personal time until after their first anniversary date. Personal time is earned in the following way: One and two years receive 8 hours of personal time; Three thru nine years receive sixteen hours of personal time; and ten years and over receive twenty-four hours of personal time.

-----  
TEAM0786-001 06/01/2004

	Rates	Fringes
Truck Driver		
2 & 3 Axles.....	\$ 27.625	d,e,f
4 Axles.....	\$ 27.875	d,e,f
5 Axles.....	\$ 28.075	d,e,f
6 Axles.....	\$ 28.625	d,e,f

FOOTNOTES FOR TRUCK DRIVERS (BUILDING & RESIDENTIAL):

d. \$327.00 per week.

e. Paid Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

f. 900 straight time hours or more in 1 calendar year for the same employer shall receive 1 week paid vacation; 3 years - 2 weeks paid vacation; 10 years - 3 weeks paid vacation; 20 years - 4 weeks paid vacation.

-----  
WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.  
=====

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

---

In the listing above, the "SU" designation means that rates listed under the identifier do not reflect collectively bargained wage and fringe benefit rates. Other designations indicate unions whose rates have been determined to be prevailing.

---

#### WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material,

etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

=====

END OF GENERAL DECISION

General Decision Number: IL070020 07/20/2007 IL20

Superseded General Decision Number: IL20030020

State: Illinois

Construction Types: Building Landscape, Heavy Landscape,  
Highway Landscape and Residential Landscape

**BUILDING CONSTRUCTION (LANDSCAPE WORK):**

Counties: Boone, Cook, De Kalb, Du Page, Grundy, Henry, Kane,  
Kankakee, Kendall, Lake, McHenry, McLean, Ogle, Peoria, Rock  
Island, Tazewell, Will, Winnebago and Woodford Counties in  
Illinois.

**LANDSCAPING WORK ON BUILDING, RESIDENTIAL, HEAVY AND HIGHWAY  
CONSTRUCTION PROJECTS.**

Modification Number	Publication Date
0	02/09/2007
1	06/29/2007
2	07/20/2007

ENGI0150-013 01/01/2007

**BUILDING AND HIGHWAY CONSTRUCTION (LANDSCAPE WORK):** The  
landscape work for the Landscape Equipment Operator excludes  
the preparation of sub-grade prior to application of finish  
landscape materials and the utilization of any equipment over  
one cubic yard.

**BOONE, COOK, DUPAGE, GRUNDY, KANE, KENDALL, LAKE, MCHENRY, AND  
WILL COUNTIES**

Rates Fringes

Landscape Worker (Includes  
Angle Dozer, Small; Bobcat  
and other similar type  
machines, 1 cu yd or less;  
Chipping Machine; Combination  
Backhoe and Front End Loader  
1 cu yd or less; Fork Lift  
Truck; Hi-Reach and  
High-Ranger; Hydraulic Boom  
with Clam; Log Skidder; Strow  
Blower and Seeder; Stump  
Machine; Tractors, Crawlers,  
Rubber Tire Tractors,  
Highlift Shovels or Front End  
Loaders 1 cu yd or less; Tree  
Spades, all; Utility Tractor

and attachments, and Rubber Tire Front End loader or similar machine of 1 to 1.5 cu yd solely used for placement of large decorative boulders, trees with balled soil, and other decorative landscape material too large to be accommodated in a 1 cu yd bucket. All other equipment utilized for performing landscape work, tree trimming or removal of stumps, and to install plants; transport trees; excavate plant pits; place soil and other landscape materials; and apply finish landscape material on subgrade prepared by others).....\$ 21.65            1.65+A+B+C

FOOTNOTE:

A. Health and Welfare contribution is \$810.00 per month effective January 1, 2007 and \$895.00 per month effective January 1, 2008.

B. Paid Holidays: New Year's Day; Memorial Day; Fourth of July; Labor Day; Thanksgiving Day; and Christmas Day are provided the employee if they work their regularly scheduled work day immediately preceding and the regularly work day immediately succeeding the occurrence of the holiday.

C. Paid Vacation: All employees who have been in the employ of the Employer for a full season of work shall be entitled to one (1) week of vacation with pay. Employees who have been paid for not less than twelve hundred (1200) straight time hours since their most recent anniversary date of hire at vacation time will be deemed to have worked one full season. All employees who have been in the employ of their Employer for three(3) or more consecutive full seasons of work shall at the conclusion of their current season be entitled to two (2) weeks of paid vacation. All employees who have been in the employ of their employer for nine (9) or more consecutive full seasons of work shall be entitled to three (3) weeks of paid vacation.

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 ENGI0150-023 01/01/2006

HIGHWAY CONSTRUCTION (LANDSCAPE WORK): The landscape work for the Landscape Equipment Operator excludes the preparation of sub-grade prior to application of finish landscape materials and the utilization of any equipment over one cubic yard.

HENRY, MCLEAN, OGLE, PEORIA, ROCK ISLAND, TAZEWELL, WINNEBAGO &

WOODFORD COUNTIES:

	Rates	Fringes
Laborer: Landscape Equipment Operator		
Includes the following:		
Angle Dozer, Small;		
Bobcat and other similar type machines, 1 cu yd or less;		
Chipping Machine;		
Combination Backhoe and Front End Loader 1 cu yd or less;		
Fork Lift Truck;		
Hi-Reach and High-Ranger;		
Hydraulic Boom with Clam;		
Log Skidder;		
Sttrow Blower and Seeder;		
Stump Machine;		
Tractors, Crawlers, Rubber Tire Tractors, Highlift Shovels or Front End Loaders 1 cu yd or less;		
Tree Spades, all;		
Utility Tractor and attachments, and Rubber Tire Front End loader or similar machine of 1 to 1.5 cu yd solely used for placement of large decorative boulders, trees with balled soil, and other decorative landscape material too large to be accommodated in a 1 cu yd bucket. All other equipment utilized for performing landscape work, tree trimming or removal of stees, and to install plants; transport trees; excavate plant pits; place soil and other landscape materials; and apply finish landscape material on subgrade prepared by others.....	\$ 20.55	1.35+A+B+C

FOOTNOTE:

- A. Health and Welfare contribution of 735.00 per month
- B. Paid Holidays: New Year's Day; Memorial Day; Fourth of July; Labor Day; Thanksgiving Day; and Christmas Day are provided the employee if they work their regularly scheduled work day immediately preceding and the regularly

work day immediately succeeding the occurrence of the holiday.

C. Paid Vacation: All employees who have been in the employ of the Employer for a full season of work shall be entitled to one (1) week of vacation with pay. Employees who have been paid for not less than twelve hundred (1200) straight time hours since their most recent anniversary date of hire at vacation time will be deemed to have worked one full season. All employees who have been in the employ of their employer for three (3) or more consecutive full seasons of work shall at the conclusion of their current season be entitled to two (2) weeks of paid vacation. All employees who have been in the employ of their employer for nine (9) or more consecutive full seasons of work shall be entitled to three (3) weeks of paid vacation.

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LABO0032-004 05/01/2007

HIGHWAY CONSTRUCTION:

OGLE and WINNEBAGO COUNTIES

	Rates	Fringes
Landscape Laborer.....	\$ 24.34	16.65

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LABO0362-003 05/01/2007

HIGHWAY CONSTRUCTION

MCLEAN COUNTY

	Rates	Fringes
Landscape Laborer.....	\$ 25.65	12.47

-----  
LABO0751-004 05/01/2007

HIGHWAY CONSTRUCTION

KANKAKEE COUNTY

	Rates	Fringes
Landscape Laborer.....	\$ 25.94	15.21

-----  
LABO0852-004 05/01/2006

HIGHWAY CONSTRUCTION

ROCK ISLAND AND HENRY COUNTIES:

	Rates	Fringes
Landscape Laborer.....	\$ 21.94	12.79

LABO0996-004 05/01/2007

HIGHWAY CONSTRUCTION

PEORIA, TAZEWELL, AND WOODFORD COUNTIES

	Rates	Fringes
Landscape Laborer.....	\$ 25.57	12.55

\* SUIL1993-001 01/19/1993

BUILDING CONSTRUCTION (LANDSCAPE WORK):

	Rates	Fringes
Laborers:		
BOONE, GRUNDY, KANE, KENDALL, LAKE, MCHENRY, & WILL COUNTIES		
LANDSCAPE LABORERS.....	\$ 7.14	
COOK COUNTY		
LANDSCAPE LABORERS.....	\$ 7.19	
LANDSCAPE PLANTSMAN.....	\$ 9.80	1.82
DE KALB COUNTY		
LANDSCAPE LABORERS.....	\$ 5.85	
LANDSCAPE OPERATORS.....	\$ 6.50	
LANDSCAPE PLANTSMAN.....	\$ 9.66	.26
DU PAGE COUNTY		
LANDSCAPE LABORERS.....	\$ 6.49	
LANDSCAPE PLANTSMAN.....	\$ 9.04	1.16
GRUNDY, LAKE & WILL COUNTIES		
LANDSCAPE DRIVER 2 & 3		
Axles.....	\$ 11.86	2.81
LANDSCAPE PLANTSMAN.....	\$ 12.00	3.32

\* SUIL1993-002 01/19/1993

HEAVY CONSTRUCTION (LANDSCAPE WORK)

	Rates	Fringes
Laborers:		
BOONE, GRUNDY, KANE, KENDALL, LAKE, MCHENRY & WILL COUNTIES:		
LANDSCAPE DRIVER, 2 & 3		
AXLES.....	\$ 11.94	2.42
LANDSCAPE LABORERS.....	\$ 6.96	
LANDSCAPE OPERATORS.....	\$ 13.11	3.01
LANDSCAPE PLANTSMAN.....	\$ 9.73	2.05
COOK COUNTY:		
LANDSCAPE DRIVER, 2 & 3		
AXLES.....	\$ 9.93	1.89
LANDSCAPE LABORERS.....	\$ 6.41	
LANDSCAPE OPERATORS.....	\$ 10.98	2.12

LANDSCAPE PLANTSMAN.....	\$ 10.08	2.06
DE KALB COUNTY:		
LANDSCAPE LABORERS.....	\$ 5.85	
LANDSCAPE OPERATORS.....	\$ 6.50	
LANDSCAPE PLANTSMAN.....	\$ 9.66	.26
DU PAGE COUNTY:		
LANDSCAPE DRIVER, 2 & 3		
AXLES.....	\$ 8.32	1.02
LANDSCAPE LABORERS.....	\$ 6.01	
LANDSCAPE OPERATORS.....	\$ 10.75	
LANDSCAPE PLANTSMAN.....	\$ 10.65	

\* SUIL1993-003 01/19/1993

HIGHWAY CONSTRUCTION (LANDSCAPE WORK):

	Rates	Fringes
Laborers:		
DE KALB COUNTY		
LANDSCAPE LABORERS.....	\$ 5.85	
LANDSCAPE OPERATORS.....	\$ 6.50	
LANDSCAPE PLANTSMAN.....	\$ 9.66	.26
KANKAKEE COUNTY:		
LANDSCAPE DRIVER.....	\$ 8.75	.17
LANDSCAPE OPERATOR.....	\$ 16.57	3.56
PEORIA, TAZEWELL, & WOODFORD COUNTIES:		
TRUCK DRIVERS 2 & 3 AXLES..	\$ 17.58	5.88

TEAM0179-003 06/01/2002

HIGHWAY CONSTRUCTION:

MCLEAN COUNTY:

	Rates	Fringes
Truck Driver		
2-3 AXLES.....	\$ 27.55	a
4 AXLES.....	\$ 27.70	a
5 AXLES.....	\$ 27.90	a
6 AXLES.....	\$ 28.10	a

FOOTNOTE: a. \$296.00 per week

TEAM0179-004 06/01/2002

HIGHWAY CONSTRUCTION:

OGLE & WINNEBAGO COUNTIES

	Rates	Fringes
Truck Driver		
2-3 AXLES.....	\$ 27.55	a
4 AXLES.....	\$ 27.70	a

5 AXLES.....	\$ 27.90	a
6 AXLES.....	\$ 28.10	a

FOOTNOTE: a-\$296.00 per week.

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 TEAM0703-001 12/01/1993

HIGHWAY CONSTRUCTION (LANDSCAPE WORK):

	Rates	Fringes
Laborers:		
BOOKE, KANE, KENDALL & MCHENRY COUNTIES		

BUILDING CONSTRUCTION  
 (LANDSCAPE WORK):  
 Landscape Plantsman.....\$ 10.38  
 BOONE, COOK, DUPAGE,  
 GRUNDY, KANE, KENDALL,  
 LAKE, MCHENRY, & WILL  
 COUNTIES

HIGHWAY CONSTRUCTION  
 (LANDSCAPE WORK):  
 Landscape Laborers.....\$ 6.00  
 Landscape Plantsman.....\$ 10.38  
 Landscape Truck Driver-2  
 Axle.....\$ 11.43                   A  
 Landscape Truck Driver-3  
 Axle.....\$ 11.88                   A  
 COOK & DUPAGE COUNTIES

BUILDING CONSTRUCTION  
 (LANDSCAPE WORK):  
 Landscape Truck Driver-2  
 Axle.....\$ 11.43                   A  
 COOK & DUPAGE COUNTIES

BUILDING CONSTRUCTION  
 (LANDSCAPE WORK):  
 Landscape Truck Driver-3  
 Axle.....\$ 11.88                   A

FOOTNOTE

A. Health and Welfare contribution of \$264.35 per month. All employees who have been employed 30 days or more shall receive the following paid holidays: New Year's Day,

Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. All employees who have been employed for a full season and who have not worked less than 1200 hours shall be entitled to one week of vacation pay.

Employees who have worked 3 or more consecutive full seasons and worked at least 1200 hours per season, shall be entitled to 2 weeks of vacation pay.

---

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

---

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

---

In the listing above, the "SU" designation means that rates listed under the identifier do not reflect collectively bargained wage and fringe benefit rates. Other designations indicate unions whose rates have been determined to be prevailing.

---

#### WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
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On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

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3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

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U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

=====

END OF GENERAL DECISION

**LABOR STANDARDS DEPOSIT AGREEMENT**

see attached

<b>Labor Standards Deposit Agreement</b>	<b>U.S. Department of Housing and Urban Development Office of Labor Relations</b>
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<b>Date:</b>	<b>Project No:</b>
	<b>Project Name:</b> \

In order to induce the Department of Housing and Urban Development (HUD) to provide or complete the program assistance associated with this project while issues remain outstanding in connection with amounts that may be due as wages under the Davis-Bacon and Related Acts and/or as liquidated damages under the Contract Work Hours and Safety Standards Act, the undersigned (*Depositor*) submits confirmation of deposit, by electronic funds transfer, to the account specified by HUD in the amount of \$

*Depositor* agrees that this deposit is made shall be held by HUD for the purpose(s) and disposition(s) as indicated, below, and as indicated on the attached Schedule for Deposit: (HUD Labor Relations staff: Check boxes, below, as applicable to deposit.)

<input type="checkbox"/>	1. Where there is no dispute as to the amount of unpaid wages due but <b><i>without awaiting receipt of evidence that the workers named on the attached Schedule have received the wages due them</i></b> , in the respective amounts listed on the Schedule for Deposit;
<input type="checkbox"/>	2. Where HUD or the U.S. Department of Labor (DOL) has reason to believe that there may be unpaid wages due for work performed in the construction of the project but <b><i>without awaiting an administrative determination of the wages which may be due and unpaid</i></b> by employers named on the attached Schedule in the respective amounts estimated by HUD or DOL and listed on the Schedule for Deposit;
<input type="checkbox"/>	3. Where HUD or DOL has made its determination of wages due but <b><i>without awaiting the outcome of an appeal which has been filed or is to be filed with HUD or DOL</i></b> by or on behalf of the <i>Depositor</i> , the principal contractor, subcontractor, other employer involved contesting the finding of HUD or DOL that wages for work performed in the construction of the project are due and unpaid to the workers named on the attached Schedule in respective amounts listed on the Schedule for Deposit; and/or
<input type="checkbox"/>	4. Where <b><i>liquidated damages</i></b> have been calculated and/or assessed for overtime violations of the Contract Work Hours and Safety Standards Act, as reflected on the attached Schedule for Deposit.

**Disposition of Deposit Account**

Items 1 through 4: In all cases involving unpaid wages ultimately found due, wage payments will be made directly to the affected workers by the responsible employer or the *Depositor*, or by HUD from the funds submitted herewith. If the wages are paid to the affected workers by the responsible employer or the *Depositor*, a refund equal to the amount(s) paid shall be made to the *Depositor* as wage payment evidence, in the form of a certified payroll report(s), is provided to HUD. HUD will retain on behalf of affected employees any amount(s) deposited for wages found due that are not paid by the responsible employer or *Depositor*, and will also retain any liquidated damages that are assessed.

Where items 2, 3, and/or 4 have been checked, when the amount of unpaid wages has been finally determined by HUD or DOL, funds sufficient to pay the total gross amount of wages and any liquidated damages computed and/or assessed for overtime violations, as applicable, shall be held by HUD and the balance of the funds deposited, if any, shall be returned to the *Depositor*. If the final HUD or DOL determination and/or liquidated damages assessment is appealed, when the appellant and HUD or DOL have agreed on any amounts due or have exhausted any rights of appeal, funds sufficient to pay the total gross amount of the wages and any liquidated damages found due by the highest authority which has ruled in the matter shall be held by HUD, and the balance of the funds deposited, if any, shall be returned to the *Depositor*.

<b>Depositor:</b>	<b>Street Address:</b>
<b>By: (signature)</b>	<b>City, State, Zip Code:</b>
<b>Name and Title:</b>	<b>Telephone Number:</b> 0
<b>Depositor Tax ID Number (required to process refund):</b> 0	<b>Deposit Ticket Number:</b> LR-     -DT-     -

Schedule for Deposit (attached)

# AIA<sup>®</sup> Document A101<sup>™</sup> – 1997

## **Standard Form of Agreement Between Owner and Contractor** *where the basis of payment is a STIPULATED SUM*

**AGREEMENT** made as of the Twenty-fifth day of May in the year of Two Thousand Seven-

*(In words, indicate day, month and year)*

**BETWEEN** the Owner:

*(Name, address and other information)*

RPA LIMITED PARTNERSHIP  
3843 WEST OGDEN AVE  
CHICAGO IL 60623  
Telephone Number: (773) 762-8889  
Fax Number: (773) 762-8893

and the Contractor:

*(Name, address and other information)*

SAFEWAY KEELEY JV LLC  
4327 WEST ROOSEVELT ROAD  
CHICAGO IL 60624  
Telephone Number: (773) 522-3000  
Fax Number: (773) 522-4043

The Project is:

*(Name and location)*

RENAISSANCE PLACE APARTMENTS  
3123-27, 3131, & 3700 WEST DOUGLAS BLVD  
CHICAGO IL 60623

The Architect is:

*(Name, address and other information)*

LONDON BONE BAKER ARCHITECTS  
314 W. INSTITUTE PLACE  
CHICAGO IL 60610  
Telephone Number: (312) 988-9100  
Fax Number: (312) 988-7146

The Owner and Contractor agree as follows.

### **ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201-1997, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

This document has been approved and endorsed by The Associated General Contractors of America.

Init.

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User Notes:

(172533791)

**ARTICLE 1 THE CONTRACT DOCUMENTS**

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement and Modifications issued after execution of this Agreement; these form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 8.

**ARTICLE 2 THE WORK OF THIS CONTRACT**

The Contractor shall fully execute the Work described in the Contract Documents, except to the extent specifically indicated in the Contract Documents to be the responsibility of others.

**ARTICLE 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**

§ 3.1 The date of commencement of the Work shall be the date of this Agreement unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Owner.

*(Insert the date of commencement if it differs from the date of this Agreement or, if applicable, state that the date will be fixed in a notice to proceed.)*

| Commencement of work is upon issuance of a letter to proceed.

If, prior to the commencement of the Work, the Owner requires time to file mortgages, mechanic's liens and other security interests, the Owner's time requirement shall be as follows:

§ 3.2 The Contract Time shall be measured from the date of commencement.

| § 3.3 The Contractor shall achieve Substantial Completion of the entire Work not later than 485 days from the date of commencement, or as follows:

*(Insert number of calendar days. Alternatively, a calendar date may be used when coordinated with the date of commencement. Unless stated elsewhere in the Contract Documents, insert any requirements for earlier Substantial Completion of certain portions of the Work.)*

Portion of Work

Substantial Completion Date

, subject to adjustments of this Contract Time as provided in the Contract Documents.

*(Insert provisions, if any, for liquidated damages relating to failure to complete on time or for bonus payments for early completion of the Work.)*

| NONE

**ARTICLE 4 CONTRACT SUM**

| § 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be Six million four hundred sixty nine thousand one hundred forty four Dollars and Zero Cents (\$6,469,144.00) subject to additions and deductions as provided in the Contract Documents.

§ 4.2 The Contract Sum is based upon the following alternates, if any, which are described in the Contract Documents and are hereby accepted by the Owner:

*(State the numbers or other identification of accepted alternates. If decisions on other alternates are to be made by the Owner subsequent to the execution of this Agreement, attach a schedule of such other alternates showing the amount for each and the date when that amount expires)*

| NONE

Init.

§ 4.3 Unit prices, if any, are as follows:

Description	Units	Price (\$ 0.00)
NONE		

## ARTICLE 5 PAYMENTS

### § 5.1 PROGRESS PAYMENTS

§ 5.1.1 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below and elsewhere in the Contract Documents.

§ 5.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

§ 5.1.3 Provided that an Application for Payment is received by the Architect not later than the Twenty-fifth day of a month, the Owner shall make payment to the Contractor not later than the Tenth day of the following month. If an Application for Payment is received by the Architect after the application date fixed above, payment shall be made by the Owner not later than Five (5) days after the Architect receives the Application for Payment.

§ 5.1.4 Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 5.1.5 Applications for Payment shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.6 Subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

- .1 Take that portion of the Contract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the Contract Sum allocated to that portion of the Work in the schedule of values, less retainage of Ten percent (10%) Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 7.3.8 of AIA Document A201-1997;
- .2 Add that portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction (or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing), less retainage of Zero percent ( 0.00% );
- .3 Subtract the aggregate of previous payments made by the Owner; and
- .4 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Section 9.5 of AIA Document A201-1997.

§ 5.1.7 The progress payment amount determined in accordance with Section 5.1.6 shall be further modified under the following circumstances:

- .1 Add, upon Substantial Completion of the Work, a sum sufficient to increase the total payments to the full amount of the Contract Sum, less such amounts as the Architect shall determine for incomplete Work, retainage applicable to such work and unsettled claims; and

*(Section 9.8.5 of AIA Document A201-1997 requires release of applicable retainage upon Substantial Completion of Work with consent of surety, if any.)*

- .2 Add, if final completion of the Work is thereafter materially delayed through no fault of the Contractor, any additional amounts payable in accordance with Section 9.10.3 of AIA Document A201-1997.

§ 5.1.8 Reduction or limitation of retainage, if any, shall be as follows:

*(If it is intended, prior to Substantial Completion of the entire Work, to reduce or limit the retainage resulting from the percentages inserted in Sections 5.1.6.1 and 5.1.6.2 above, and this is not explained elsewhere in the Contract Documents, insert here provisions for such reduction or limitation.)*

§ 5.1.9 Except with the Owner's prior approval, the Contractor shall not make advance payments to suppliers for materials or equipment which have not been delivered and stored at the site.

## § 5.2 FINAL PAYMENT

§ 5.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when:

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Section 12.2.2 of AIA Document A201-1997, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment has been issued by the Architect.

§ 5.2.2 The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows

## ARTICLE 6 TERMINATION OR SUSPENSION

§ 6.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A201-1997.

§ 6.2 The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201-1997.

## ARTICLE 7 MISCELLANEOUS PROVISIONS

§ 7.1 Where reference is made in this Agreement to a provision of AIA Document A201-1997 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 7.2 Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located. *(Insert rate of interest agreed upon, if any.)*

Eighteen percent (18.00 %) per annum

*(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Contractor's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Legal advice should be obtained with respect to deletions or modifications, and also regarding requirements such as written disclosures or waivers.)*

§ 7.3 The Owner's representative is:  
*(Name, address and other information)*

KIM JACKSON  
3843 WEST OGDEN AVE  
CHICAGO IL 60623

init.

§ 7.4 The Contractor's representative is:  
(Name, address and other information)

JOHN W. BONDS JR.  
4327 WEST ROOSEVELT ROAD  
CHICAGO IL 60624

§ 7.5 Neither the Owner's nor the Contractor's representative shall be changed without ten days written notice to the other party.

§ 7.6 Other provisions:

#### ARTICLE 8 ENUMERATION OF CONTRACT DOCUMENTS

§ 8.1 The Contract Documents, except for Modifications issued after execution of this Agreement are enumerated as follows:

§ 8.1.1 The Agreement is this executed 1997 edition of the Standard Form of Agreement Between Owner and Contractor, AIA Document A101-1997.

§ 8.1.2 The General Conditions are the 1997 edition of the General Conditions of the Contract for Construction, AIA Document A201-1997.

§ 8.1.3 The Supplementary and other Conditions of the Contract are those contained in the Project Manual dated , and are as follows

Document	Title	Pages
----------	-------	-------

§ 8.1.4 The Specifications are those contained in the Project Manual dated as in Section 8.1.3, and are as follows:  
(Either list the Specifications here or refer to an exhibit attached to this Agreement.)

Title of Specifications exhibit:

(Rows deleted)

§ 8.1.5 The Drawings are as follows, and are dated December 09, 2006 unless a different date is shown below:  
(Either list the Drawings here or refer to an exhibit attached to this Agreement.)

Title of Drawings exhibit: RENAISSANCE PLACE APARTMENTS

(Rows deleted)

§ 8.1.6 The Addenda, if any, are as follows:

Number	Date	Pages
NONE		

Portions of Addenda relating to bidding requirements are not part of the Contract Documents unless the bidding requirements are also enumerated in this Article 8.

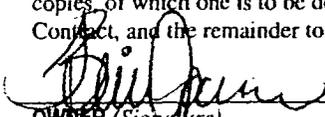
§ 8.1.7 Other documents, if any, forming part of the Contract Documents are as follows:

(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A201-1997 provides that bidding requirements such as advertisement or invitation to bid, Instructions to Bidders, sample forms and the Contractor's bid are not part of the Contract Documents unless enumerated in this Agreement. They should be listed here only if intended to be part of the Contract Documents.)

Init.

See enclosed City of Chicago Rider, HUD Labor Standard Deposit Agreement, HUD Form 4010

This Agreement is entered into as of the day and year first written above and is executed in at least three original copies, of which one is to be delivered to the Contractor, one to the Architect for use in the administration of the Contract, and the remainder to the Owner.

  
OWNER (Signature)

KIM JACKSON  
Executive Director of Lawndale Christian  
Development Corporation, A Member of the  
General Partner of RPA Limited Partnership, an  
Illinois limited liability partnership

(Printed name and title)

  
CONTRACTOR (Signature)

JOHN W. BONDS JR.  
Managing Member of Safeway Keeley  
JV, LLC, an Illinois limited liability  
company

(Printed name and title)

Init.

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User Notes:

(172533791)

## CONSTRUCTION CONTRACT RIDER

The provisions of this Construction Contract Rider (the "Rider") are part of the Agreement to which this Rider is attached. In the event of any conflict between any provision of this Rider and any other provision of the Agreement, the provision of this Rider shall control.

1. Bond/Letter of Credit. The Contractor shall maintain **[Check as applicable]**  a payment and performance bond; or  a letter of credit in an amount not less than \$ \_\_\_\_\_ acceptable to the City of Chicago (the "City") in full force and effect until completion of the Work.

2. No Payment, Gratuity, etc. No payment, gratuity or offer of employment shall be made in connection with the Work, by or on behalf of a Subcontractor to the Contractor or higher tier Subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

3. MBE/WBE Commitment. (a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 3, during the course of the Work, the Contractor shall expend or cause to be expended, for contract participation by minority-owned businesses ("MBEs") and by women-owned businesses ("WBEs"), at least the following percentages of the aggregate hard construction costs (as set forth in the Project Budget, as defined in the hereinafter defined Loan Agreement):

- (1) At least 24 percent by MBEs.
- (2) At least four percent by WBEs.

(b) For purposes of this Section 3 only, the Contractor (and any party to whom a subcontract is let by the Contractor in connection with the Work) shall be deemed a "contractor" and the Agreement (and any subcontract let by the Contractor in connection with the Work) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable. In addition, the term "minority-owned business" or "MBE" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable; and the term "women-owned business" or "WBE" 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, related to the Procurement Program or the Construction Program, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Contractor's MBE/WBE commitment may be achieved in part by the Contractor's status as an MBE or WBE (but only to the extent of any Work actually performed by the Contractor itself) 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 Work actually performed by the MBE or WBE itself), by subcontracting a portion of the Work to one or more MBEs or WBEs, or by the purchase of materials or services used in the Work 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 Contractor's MBE/WBE commitment as described in this Section 3. In accordance with Section 2-92-730, Municipal Code of Chicago, the Contractor shall not substitute any MBE or WBE subcontractor without the prior written approval of the City's Department of Housing ("DOH").

(d) The Contractor shall deliver quarterly reports to the Owner and DOH during the Work 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 Contractor in connection with the Work, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Work, a description of the labor performed or products or services supplied, the date and amount of such labor, product or service, and such other information as may assist the Owner and DOH in determining the Contractor's compliance with this MBE/WBE commitment. The Contractor shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Work for at least five years after completion of the Work, and the Owner and DOH shall have access to all such records maintained by the Contractor, on five Business Days' notice, to allow the Owner and DOH to review the Contractor's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Work.

(e) Upon the disqualification by the City of any MBE or WBE subcontractor, if such status was misrepresented by the disqualified party, the Contractor shall be obligated to discharge or cause to be discharged the disqualified subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver by the City of the Contractor's MBE/WBE commitment as described in this Section 3 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of the Work, the Contractor and all major subcontractors shall be required to meet with the monitoring staff of DOH with regard to the Owner's MBE/WBE commitment under that certain Housing Loan Agreement between the City and the Owner in connection with the Work (the "Loan Agreement") and the Contractor's compliance with its obligations under this Section 3. During said meeting, the Owner and the Contractor shall demonstrate to DOH their plans to achieve their respective MBE/WBE obligations, the

sufficiency of which shall be approved by DOH. During the Work, the Contractor shall submit the documentation required by this Section 3 to the Owner and the monitoring staff of DOH. Failure to submit such documentation on a timely basis, or a determination by DOH, upon analysis of the documentation, that the Contractor is not complying with its obligations under this Section 3, shall, upon the delivery of written notice to the Owner, be deemed an Event of Default under the Loan Agreement and may be an event of default under the Agreement. Upon the occurrence of any such Event of Default, in addition to any other remedies provided under any of the Loan Documents (as defined in the Loan Agreement), the City may: (1) issue a written demand to the Owner to halt the Work, (2) withhold any further payment of any Loan (as defined in the Loan Agreement) proceeds to the Owner or the Contractor, or (3) seek any other remedies against the Owner available at law or in equity.

4. Contractor's Use of City Resident Workers. The Contractor shall ensure that at least 50 percent of the total hours worked on the site of the Project by employees of either the Contractor or any Subcontractor in connection with the Work shall be performed by residents of the City. The Contractor agrees to provide to the Owner and DOH documentation in form and substance satisfactory to DOH evidencing its compliance with this Section 4. The Contractor shall ensure that adequate residency records are available for inspection by the Owner and DOH upon reasonable notice for the period from the date hereof through the third anniversary of completion of the Project.

5. Lead-Based Paint. The Project shall constitute HUD-associated housing for purposes of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. Section 4821 et seq., as amended, supplemented and restated from time to time), and comply with the requirements thereof to the extent provided under applicable federal regulations, including without limitation the requirements of notice to tenants, prohibition of the use of lead-based paint and for the elimination of the hazards of lead-based paint. Any lead-based paint and defective paint debris shall be disposed of in accordance with applicable federal, state and local requirements.

6. No Conflict of Interest. No individual who is an employee, agent, consultant, officer or elected or appointed official of the City (and no individual who was an employee, agent, consultant, officer or elected or appointed official within one year prior to the date of the Agreement) and who exercises or has exercised any functions or responsibilities with respect to activities assisted with City funds or who is or was in a position to participate in a decision-making process or gain inside information with regard to such activities, has obtained, is obtaining or will obtain a financial interest or benefit from the Work, or has or will have any interest in the Agreement or any contract, subcontract or agreement with respect to the Project, or the proceeds thereunder, either for himself or for those with whom he has family or business ties.

7. All Applicable Laws. The Contractor shall be subject to, obey and adhere to any and all federal, state and local laws, statutes, ordinances, rules, regulations and executive orders as are now or may be in effect during the term of the Agreement which may be applicable to the Contractor, the Work or the Project, including but not limited to the Copeland "Anti-kickback" Act, 18 U.S.C. Section 874, as supplemented by United States Department of Labor regulations

at 29 C.F.R. Part 3, and all environmental laws, all as amended, supplemented and restated from time to time.

8. Third-Party Beneficiary. With respect to the provisions of this Rider, the City (1) is a third-party beneficiary, (2) is intended to receive a direct benefit in its capacity as a third-party beneficiary, and (3) shall have the same rights and remedies as the Owner to enforce the provisions of this Rider.

9. Insurance. The Contractor agrees that it shall procure and maintain insurance in such kinds and amounts as shall be required by the City and shall provide the City with a certificate of insurance evidencing such coverages and showing the City as an additional insured with respect to such policies as the City shall request.

10. Labor Standards. The applicable provisions are set forth in detail in Form HUD-4010 and the U.S. Secretary of Labor's wage determination, which are attached hereto and hereby made a part hereof. The Contractor shall comply with the provisions thereof and shall ensure that Form HUD-4010 and the U.S. Secretary of Labor's wage determination are attached to and incorporated in all bid specifications and subcontracts with respect to the Project, to the extent and as required in Form HUD-4010. In the event of any issues or disputes arising with respect to amounts due as wages to be paid in connection with the Project and/or as liquidated damages under the Contract Work Hours and Safety Standards Act, the Contractor agrees to execute, or cause the applicable subcontractor to execute, a Labor Standards Deposit Agreement (in the form attached hereto or such other form as shall be specified by the City) and to deposit, or cause to be deposited, funds in the amount designated by the City, to be held and disbursed as specified in such Labor Standards Deposit Agreement.

11. Housing Act Section 3. (a) As used in this Section 11, (1) "Housing Act Section 3" shall mean Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. Section 1701u, as amended, supplemented and restated from time to time; and (2) "Section 3 Regulations" shall mean 24 C.F.R. Part 135, and such additional regulations, orders, rulings, interpretations and directives in connection with Housing Act Section 3 as may be promulgated or issued by HUD from time to time.

(b) The Work is subject to the requirements of Housing Act Section 3. The purpose of Housing Act Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Housing Act Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income individuals, particularly individuals who are recipients of HUD assistance for housing.

(c) The Owner and the Contractor hereby agree to comply with the Section 3 Regulations in connection with the Work. As evidenced by their execution of the Agreement, the parties to the Agreement hereby certify that they are under no contractual or other impediment that would prevent them from complying with the Section 3 Regulations in connection with the Work.

(d) The Contractor hereby agrees to (1) send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, and which concerns workers whose positions are subject to compliance with the Section 3 Regulations in connection with the Work, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 11, and (2) post copies of the notice in conspicuous places at the Work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Housing Act Section 3 preference and shall set forth: (i) the minimum number of jobs and job titles subject to hire, the availability of apprenticeship and training positions, and the qualifications for each; (ii) the name and location of the person(s) taking applications for each of the positions; and (iii) the anticipated date the Work shall begin.

(e) The Contractor hereby agrees to (1) include the language contained in this Section 11 (substituting the terms "Subcontractor" and "Contractor" for the terms "Contractor" and "Owner," respectively, wherever the former terms appear in this Section 11) in every subcontract entered into by the Contractor in connection with the Work and subject to compliance with the Section 3 Regulations, and (2) take appropriate action, as provided in an applicable provision of such subcontract or in this Section 11, upon a finding that any person or entity with whom the Contractor contracts is in violation of the Section 3 Regulations. The Contractor covenants and agrees that the Contractor shall not contract with any person or entity in connection with the Work where the Contractor has notice or knowledge that such person or entity has been found in violation of the Section 3 Regulations.

(f) The Contractor hereby certifies that any vacant employment positions in connection with the Work, including training positions, that were filled prior to the Closing Date (as defined in the Loan Agreement) and with persons or entities other than those to whom the Section 3 Regulations require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under the Section 3 Regulations.

(g) Noncompliance with the Section 3 Regulations may result in sanctions, including, but not limited to, the declaration by the City of an event of default under the Loan Documents and the exercise by the City of its remedies thereunder, as well as debarment or suspension of the non-complying party from future HUD-assisted contracts.

12. Open Dumping: Environmental Restriction. (a) The removal of all recyclable material and garbage, refuse or other waste material, including but not limited to broken concrete, bricks, rock, paving asphalt and incidental debris generated from all construction or demolition activities performed under the Agreement to which this Rider is attached, must be transported to a facility that is properly zoned and permitted to accept such material pursuant to Section 11-4 of the Municipal Code of Chicago and all other applicable local, state and federal laws and regulations. Bills of lading, manifests or other confirmatory receipts signed by a representative of the accepting facility for each load of material must be retained by the Contractor and made available to the City upon request. The Contractor shall complete and provide to the City an affidavit, in the form attached hereto and marked as "DISPOSAL AFFIDAVIT," at the time of the final payment to the Contractor for the Work.

(b) Neither the Contractor nor any "Affiliated Entity" (as defined below) of the Contractor has, during a period of five years prior to the date of execution of this Rider, (1) violated or engaged in any conduct which violated Sections 7-28-440 or 11-4-1500 or Article XIV of Chapter 11-4 or Chapters 7-28 or 11-4 of the Municipal Code of Chicago or any other "Environmental Restriction" (as defined below); (2) received notice of any claim, demand or action, including but not limited to citations and warrants, from the City, the State of Illinois, the federal government, any state or political subdivision thereof, or any agency, court or body of the federal government or any state or political subdivision thereof, exercising executive, legislative, judicial, regulatory or administrative functions, relating to a violation or alleged violation of Sections 7-28-440 or 11-4-1500 or Article XIV of Chapter 11-4 or Chapters 7-28 or 11-4 of the Municipal Code of Chicago or any other Environmental Restriction; or (3) been subject to any fine or penalty of any nature for failure to comply with Section 7-28-440 or 11-4-1500 or Article XIV of Chapter 11-4 or Chapters 7-28 or 11-4 of the Municipal Code of Chicago or any other Environmental Restriction.

(c) "Affiliated Entities" are affiliated if, directly or indirectly, one controls or has the power to control the other, or if a third person controls or has the power to control both entities. Indicia of control include without limitation: interlocking management or ownership identity of interests among family members; shared facilities and equipment; common use of employees; or organization of another business entity using substantially the same management, ownership or principals as the first entity.

(d) "Environmental Restriction" means any statute, ordinance, rule, regulation, permit, permit condition, order or directive relating to or imposing liability or standards of conduct concerning the release or threatened release of hazardous materials, special wastes or other contaminants into the environment, and to the generation, use, storage, transportation or disposal of construction debris, bulk waste, refuse, garbage, solid wastes, hazardous materials, special wastes or other contaminants, including but not limited to (1) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 *et seq.*); (2) the Hazardous Materials Transportation Act (49 U.S.C. § 1801 *et seq.*); (3) the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 *et seq.*); (4) the Clean Water Act (33 U.S.C. § 1251 *et seq.*); (5) the Clean Air Act (42 U.S.C. § 7401 *et seq.*); (6) the Toxic Substances Control Act of 1976 (15 U.S.C. § 2601 *et seq.*); (7) the Safe Drinking Water Act (42 U.S.C. § 300f *et seq.*); (8) the Occupational Health and Safety Act of 1970 (29 U.S.C. § 651 *et seq.*); (9) the Emergency Planning and Community Right to Know Act (42 U.S.C. § 11001 *et seq.*); and (10) the Illinois Environmental Protection Act (415 ILCS 5/1 through 5/56.6).

(e) The Contractor has obtained certifications in form and substance equal to Section 12(a)-(b) hereof from all Subcontractors that the Contractor presently intends to use in connection with the Project. As to Subcontractors to be used in connection with the Project who are not yet known to the Contractor, the Contractor shall obtain certifications in form and substance equal to Section 12(a)-(b) hereof from all such parties prior to using them in connection with the Project.

(f) The Contractor shall not, without the prior written consent of the City, use any Subcontractor in connection with the Project if the Contractor, based on information contained in such party's certification or any other information known or obtained by the Contractor, has reason to believe that such Subcontractor has, within the preceding five years, been in violation of any Environmental Restriction, received notice of any claim relating to a violation of an Environmental Restriction, or been subject to any fine or penalty for a violation of an Environmental Restriction.

(g) Further, the Contractor shall not, without the prior written consent of the City, use as a Subcontractor in connection with the Project any person or entity from which the Contractor is unable to obtain certifications in form and substance equal to Section 12(a)-(b) hereof or which the Contractor has reason to believe cannot provide truthful certifications.

13. Restriction on Lobbying. (a) The Contractor hereby certifies, that except as disclosed below, there are no persons registered under the Lobbying Disclosure Act of 1995, 2 U.S.C. § 1601 *et seq.* (the "Disclosure Act"), who have made lobbying contacts on behalf of the Contractor with respect to the Project. If no persons are disclosed below, it shall be conclusively presumed that the Contractor certifies that there are no such persons.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(b) The Contractor certifies that it has not and shall not expend any Federal appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, as defined by applicable Federal law, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement. Accordingly, the Contractor has not used any Federal appropriated funds to pay any person listed in Section 13(a) above for his/her lobbying activities in connection with the Project.

(c) The Contractor shall submit an updated certification to the Owner at the end of each calendar quarter in which there occurs any event that materially affect the accuracy of the statements and information set forth in paragraphs (a) and (b) above.

(d) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the Transaction, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(e) Either (1) the Contractor is not an organization described in Section 501(c)(4) of the Internal Revenue Code of 1986; or (2) the Contractor is an organization described in Section

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501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and shall not engage in "lobbying activities," as defined in the Disclosure Act.

(f) The Contractor shall require that the language of this Section 13 be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

(g) The certification contained in this Section 13 is a material representation of fact upon which reliance is placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

14. No bribery, bid-rigging, etc. The Contractor hereby represents and certifies as follows:

(a) The Contractor, or any party to be used in the performance of the Work (an "Applicable Party"), or any Affiliated Entity of either the Contractor or any Applicable Party, or any responsible official thereof, or any other official, agent or employee of the Contractor, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official thereof, has not within the last three years (1) bribed or attempted to bribe, or been convicted of bribery or attempting to bribe a public officer or employee of the City, the State of Illinois or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity; (2) agreed or colluded, or been convicted of agreement or collusion among bidders or prospective bidders in restraint of freedom of competition by agreement to bid a fixed price, or otherwise; or (3) made an admission of such conduct described in (1) or (2) above which is a matter of record, but has not been prosecuted for such conduct.

(b) The Contractor has obtained from all Applicable Parties, known by the Contractor at this time, certifications in form and substance equal to paragraph (a) above. Based on such certifications and any other information known or obtained by the Contractor, the Contractor is not aware of any such Applicable Party, any Affiliated Entity of such Applicable Party, or any agent, partner, employee or officer of such Applicable Party or Affiliated Entity having (1) engaged in or been convicted of any of the conduct described in Section 14(a)(1) or (2) above; (2) engaged in or been convicted of bid-rigging, bid-rotating, or any similar offense of any state of the United States of America which contains the same elements as bid-rigging and bid-rotating; or (3) made an admission of the conduct described in Section 14(a)(1) or (2) above which is a matter of record, but not been prosecuted for such conduct.

(c) The Contractor shall, prior to using them in connection with the Work, obtain from all Applicable Parties to be used in connection with the Work but not known by the Contractor at this time, certifications in form and substance equal to paragraph (a) above. The Contractor shall not, without the prior written permission of the City, use any of such Applicable Parties in connection with the Work if the Contractor, based on such certifications or any other information

known or obtained by the Contractor, becomes aware of such Applicable Party, any Affiliated Entity of such Applicable Party, or any agent, partner, employee or officer of such Applicable Party or Affiliated Entity having (1) engaged in or been convicted of any of the conduct described in Section 14(a)(1) or (2) above; (2) engaged in or been convicted of bid-rigging, bid-rotating, or any similar offense of any state of the United States of America which contains the same elements as bid-rigging and bid-rotating; or (3) made an admission of the conduct described in Section 14(a)(1) or (2) above which is a matter of record, but not been prosecuted for such conduct.

(d) For all Applicable Parties, the Contractor shall maintain for the term of the Agreement all certifications of all Applicable Parties required by Section 14(b) and (c) above, and the Contractor shall make such certifications promptly available to the City upon request.

(e) The Contractor shall not, without the prior written consent of the City, use as an Applicable Party any individual, firm, partnership, corporation, joint venture or other entity from whom the Contractor is unable to obtain a certification in form and substance equal to paragraph (a) above.

(f) The Contractor hereby agrees, if the City so demands, to terminate its contract with any Applicable Party, if such Applicable Party was ineligible at the time the contract was entered into for award of such contract, if applicable, under Section 2-92-320 of the Municipal Code, or if applicable, under Section 33-E of Article 33 of the State of Illinois Criminal Code of 1961, as amended, supplemented and restated from time to time. The Contractor shall insert adequate provisions in all contracts to allow it to terminate such contracts as required by this Section 14(f).

(g) The Contractor understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2-156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).

(h) Neither the Contractor nor any employee, official, agent or partner of the Contractor is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3, as amended, supplemented and restated from time to time; (2) bid-rotating in violation of 720 ILCS 5/33E-4, as amended, supplemented and restated from time to time; or (3) any similar offense of any state or of the United States of America which contains the same elements as the offense of bid-rigging or bid-rotating.

15. Nonsegregated Facilities. (a) The Contractor certifies that it does not and shall not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and shall not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this certification is a violation of the Equal Opportunity clause.

(b) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by

explicit directive or are in fact segregated on the basis of race, color, religion or national origin because of habit, local custom or otherwise.

(c) The Contractor further agrees that it shall obtain or cause to be obtained identical certifications from proposed Subcontractors in connection with the Project before the award of subcontracts under which the Subcontractor will be subject to the equal opportunity clause. Contracts and Subcontracts exceeding \$10,000, or having an aggregate value exceeding \$10,000 in any 12-month period, are generally subject to the equal opportunity clause. See 41 C.F.R. Part 60 for further information regarding the equal opportunity clause.

(d) The Contractor shall forward or cause to be forwarded the following notice to proposed contractors and subcontractors:

**NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENTS FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES**

A Certification of Nonsegregated Facilities must be submitted before the award of a contract/subcontract under which the contractor/subcontractor will be subject to the Equal Opportunity clause. The certifications may be submitted either for each contract/subcontract or for all contracts/subcontracts during a period (e.g., quarterly, semiannually or annually).

16. Equal Employment Opportunity. Federal regulations require that certain Contractors and proposed Subcontractors submit the following information with their bids or in writing at the outset of negotiations:

A. Do you have 50 or more employees?

Yes       No

If yes, please complete B through D below. If no, no further information is required.

B. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (Sec 41 C.F.R. Part 60-2.)

Yes       No

C. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes       No

D. If the answer to (C) is yes, have you filed with the Joint Reporting Committee, the Director of OFCC, any federal agency, or the former President's Committee on Equal Employment Opportunity, all reports due under the applicable filing requirements of these organizations?

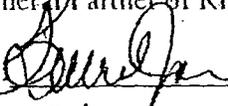
Yes       No

**OWNER:**

RPA Limited Partnership,  
an Illinois limited partnership

By: LCDC Safeway II, LLC, an Illinois  
limited liability company and its general partner

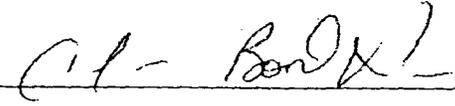
By: Lawndale Christian Development Corporation,  
an Illinois corporation, a manager of the  
General Partner of RPA Limited Partnership

By: 

Its: Director

**CONTRACTOR:**

Safeway Keeley JV, LLC,  
an Illinois limited liability company

By: 

Its: Managing Member

**DISPOSAL AFFIDAVIT  
CITY OF CHICAGO  
DEPARTMENT OF HOUSING  
CONSTRUCTION ADMINISTRATION SECTION**

**CONTRACTOR'S AFFIDAVIT REGARDING REMOVAL OF ALL  
WASTE MATERIALS AND IDENTIFICATION OF LEGAL DUMP SITES**

Contractor to show here the name and location of the ultimate disposal site he./ she is proposing to use for the subject project: \_\_\_\_\_

**SPECIFY THE TYPE OF MATERIALS TO BE DISPOSED OF:**

**LEGAL NAME OF LANDFILL / DISPOSAL SITE:**

(The Contractor must provide the Commissioner or his / her designated representative with copies of all dump tickets, manifests, etc.)

**LOCATION ADDRESS:**

**PHONE: (        )**

**CONTACT PERSON:**

Disposal sites submitted shall be of sufficient capacity as to ensure acceptance of the volume of Construction and/or Demolition Debris received for the period of this contract. These disposal sites must meet all zoning and other requirements that may be necessary.

If requested by the Chief Procurement Officer, the Contractor shall submit, copies of all contractual agreements, sanitary landfill permits and/or licenses for those disposal site(s) proposed by the Contractor.

Contractor's Name:

Address:

Authorized Signature:

Title:

Print Name: \_\_\_\_\_ Date:

Project Address:

Owner / Developer:

**DOH USE ONLY**

**PROGRAM:**

Multi-Unit                       E. H. A. P.                       Facade  
 Single Family                       B. I. L. P.     Other:

Date Received: \_\_\_\_\_

FORM HUD-4010

see attached

# Federal Labor Standards Provisions

U.S. Department of Housing  
and Urban Development  
Office of Labor Relations

## Applicability

The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

**A. 1. (i) Minimum Wages.** All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible, place where it can be easily seen by the workers.

**(ii) (a)** Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

**(1)** The work to be performed by the classification requested is not performed by a classification in the wage determination; and

**(2)** The classification is utilized in the area by the construction industry; and

**(3)** The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

**(b)** If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where

appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)

**(c)** In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

**(d)** The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

**(iii)** Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

**(iv)** If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

**2. Withholding.** HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part

of the wages required by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the contractor, disburse such amounts withheld for and on account of the contractor or subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

**3. (i) Payrolls and basic records.** Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section 1(b)(2)(B) of the Davis-bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

**(ii) (a)** The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i). This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

**(b)** Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

**(1)** That the payroll for the payroll period contains the information required to be maintained under 29 CFR 5.5 (a)(3)(i) and that such information is correct and complete;

**(2)** That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll

period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

**(3)** That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

**(c)** The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

**(d)** The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

**(iii)** The contractor or subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

#### **4. Apprentices and Trainees.**

**(i) Apprentices.** Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program; who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the

journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) **Trainees.** Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) **Equal employment opportunity.** The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

**5. Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

**6. Subcontracts.** The contractor or subcontractor will insert in any subcontracts, the clauses contained in subparagraphs 1 through 11 of this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this paragraph.

**7. Contract termination; debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

**8. Compliance with Davis-Bacon and Related Act Requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract

**9. Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

**10. (i) Certification of Eligibility.** By entering into this contract the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration..... makes, utters or publishes any statement knowing the same to be false..... shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

**11. Complaints, Proceedings, or Testimony by Employees.** No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

**B. Contract Work Hours and Safety Standards Act.** The provisions of this paragraph B are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

**(1) Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

**(2) Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in subpara-

graph (1) of this paragraph, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in sub paragraph (1) of this paragraph.

**(3) Withholding for unpaid wages and liquidated damages.** HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contract, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

**(4) Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

**C. Health and Safety.** The provisions of this paragraph C are applicable only where the amount of the prime contract exceeds \$100,000.

**(1)** No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

**(2)** The Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, 40 USC 3701 et seq.

**(3)** The Contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each subcontractor. The Contractor shall take such action with respect to any subcontract as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

**APPLICABLE WAGE DETERMINATION**

see attached

General Decision Number: IL070009 07/20/2007 IL9

Superseded General Decision Number: IL20030009

State: Illinois

Construction Types: Building, Heavy, Highway and Residential

County: Cook County in Illinois.

BUILDING, RESIDENTIAL, HEAVY, AND HIGHWAY PROJECTS (does not include landscape projects).

Modification Number	Publication Date
0	02/09/2007
1	03/09/2007
2	06/01/2007
3	07/06/2007
4	07/13/2007
5	07/20/2007

ASBE0017-001 06/01/2007

	Rates	Fringes
Hazardous Material Handler includes preparation, wetting, stripping removal scrapping, vacuuming, bagging and disposal of all insulation materials, whether they contain asbestos or not, from mechanical systems.....	\$ 26.00	15.48
Insulator/asbestos worker Includes the application of all insulating materials, protective coverings, coatings, and finishes to all types of mechanical systems.....	\$ 37.15	19.18

BOIL0001-001 07/01/2004

	Rates	Fringes
BOILERMAKER.....	\$ 35.07	16.26

BRIL0021-001 06/01/2007

	Rates	Fringes
Bricklayer.....	\$ 36.43	16.72

BRIL0021-004 06/01/2007

	Rates	Fringes
Marble Mason.....	\$ 36.43	16.72

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BRIL0052-001 06/01/2007

	Rates	Fringes
Pointer, cleaner and caulker.....	\$ 36.90	14.66

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CARP0555-001 06/01/2004

	Rates	Fringes
Carpenter CARPENTERS, LATHERS, MLLWRIGHTS, PILEDRIIVER, & SOFT FLOOR LAYERS.....	\$ 34.32	10.93

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CARP0555-002 10/01/2004

	Rates	Fringes
Carpenter (Excluding structures with elevators and structures over 3 1/2 stories)....	\$ 34.32	10.91

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\* ELEC0009-003 05/28/2007

	Rates	Fringes
Line Construction Groundman.....	\$ 29.09	18.63
Lineman and Equipment Operator.....	\$ 37.30	23.89

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ELEC0134-001 06/06/2005

	Rates	Fringes
BUILDING CONSTRUCTION Electricians.....	\$ 35.15	18.42

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ELEC0134-002 04/01/1998

	Rates	Fringes
Electrician ((CLASS B) (Install magnetic or electronic replacement ballasts either singly or in groups including necessary wiring within fixture; Install replacement lamp holders and/or sockets including necessary wiring		

within fixture including  
relocating sockets within  
fixture; Install replacement  
lighting circuit breakers  
where necessary; Install  
replacement lighting switches  
where necessary; Repair  
lighting fixtures other than  
ballast or socket  
replacements; Rewire  
chandeliers or incandescent  
fixtures only within fixtures  
themselves.).....\$ 20.71            2.975+a+b

FOOTNOTES:

a-Paid Vacation- Employees who have been employed for one year but less than three years receive 1 week of paid vacation; employees who have been employed three years but less than ten years receive 2 weeks of paid vacation; Employees who have been employed ten years but less than twenty years receive 3 weeks of paid vacation; and employees who have worked twenty or more years receive 4 weeks of paid vacation.

b-Funeral Leave-In the instance of the death of a mother, other-in-law-; father, father-in-law, sister, brother, husband, wife, or a child of an employee shall receive up to three days of paid funeral leave.

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ELEC0134-003 06/07/2004

	Rates	Fringes
Electrician		
ELECTRICAL TECHNICIAN.....	\$ 30.89	12.59

The work shall consist of the installation, operation, inspection, maintenance, repair and service of radio, television, recording, voice sound vision production and reproduction, telephone and telephone interconnect, facsimile, data apparatus, coaxial, fibre optic and wireless equipment, appliances and systems used for the transmission and reception of signals of any nature, business, domestic, commercial, education, entertainment and residential purposes, including but not limited to communication and telephone, electronic and sound equipment, fibre optic and data communication systems, and the performance of any task directly related to such installation or service whether at new or existing sites, such tasks to include the placing of wire and cable and electrical power conduit or other raceway work within the equipment room and pulling wire and/or cable through conduit and the installation of any incidental conduit.

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ELEV0002-003 07/03/2004

	Rates	Fringes
Elevator Mechanic.....	\$ 37.245	10.765+A+B

FOOTNOTES:

A. Eight paid holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Day after Thanksgiving; Veterans' Day and Christmas Day.

B. Employer contributes 8% of regular basic hourly rate as vacation pay credit for employees with more than 5 years of service; and 6% for 6 months to 5 years of service.

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 \* ENGI0150-006 06/01/2006

	Rates	Fringes
Power equipment operators:		
GROUP 1.....	\$ 41.55	15.05
GROUP 2.....	\$ 40.25	15.05
GROUP 3.....	\$ 37.70	15.05
GROUP 4.....	\$ 35.95	15.05

POWER EQUIPMENT OPERATORS CLASSIFICATIONS

GROUP 1: Mechanic; Asphalt Plant\*; Asphalt Spreader; Autograde\*; Backhoes with Caisson attachment\*; Batch Plant\*; Benoto (Requires two Engineers); Boiler and Throttle Valve; Caisson Rigs\*; Central Redi-Mix Plant\*; Combination Backhoe Front Endloader Machine; Compressor and Throttle Valve; Concrete Breaker (Truck Mounted)\*; Concrete Conveyor; Concrete Conveyor, Truck Mounted; Concrete Paver over 27E cu. ft.\*; Concrete Paver 27E cu ft and Under\*; Concrete Placer\*; Concrete Placing Boom; Concrete Pump (Truck Mounted); Concrete Tower; Cranes\*; Cranes, Hammerhead\*; Cranes, (GCI and similar type Requires two operators only); Creter Crane; Crusher, Stone, etc; Derricks; Derricks, Traveling\*; Formless Curb and Gutter Machine\*; Grader, Elevating; Grouting Machines; Highlift Shovels or Front Endloader 2 1/4 yd. and over; Hoists, Elevators, Outside Type Rack and pinion and similar Machines; Hoists, One, Two, and Three Drum; Hoists, Two Tugger One Floor; Hydraulic Backhoes\*; Hydraulic Boom Trucks; Hydraulic Vac (and similar equipment); Locomotives; Motor Patrol\*; Pile Drivers and Skid Rig\*; Post Hole Digger; Pre-Stress Machine; Pump Cretes Dual Ram (Requiring frequent Lubrication and Water); Pump Cretes; Squeeze Cretes-Screw Type Pumps Gypsum Bulker and Pump; Raised and Blind Hole Drill\*; Roto Mill Grinder (36" and Over)\*; Roto Mill Grinder (Less Than 36")\*; Scoops-Tractor Drawn; Slip-Form Paver\*; Straddle Buggies; Tournapull; Tractor with Boom, and Side Boom; and Trenching Machines\*.

GROUP 2: Bobcat (over 3/4 cu yd); Boilers; Broom, Power Propelled; Bulldozers; Concrete Mixer (Two Bag and over); Conveyor, Portable; Forklift Trucks; Greaser Engineer;

Highlift Shovels or Front End loaders under 2 1/4 cu yd;  
 Automatic Hoists, Hoists, Inside Elevators; Hoists, Sewer  
 Dragging Machine; Hoists, Tugger Single Drum; Laser Screed;  
 Rock Drill (Self-Propelled); Rock Drill (Truck Mounted)\*;  
 Rollers; Steam Generators; Tractors; Tractor Drawn  
 Vibratory Roller (Receives an additional \$.50 per hour);  
 Winch Trucks with "A" Frame.

GROUP 3: Air Compressor-Small 250 and Under (1 to 5 not to  
 exceed a total of 300 ft); Air Compressor-Large over 250;  
 Combination-Small Equipment Operator; Generator- Small 50  
 kw and under; Generator-Large over 50 kw; Heaters,  
 Mechanical; Hoists, Inside Elevators (Remodeling or  
 Renovatin work); Hydrualic Power Units (Pile Driving,  
 Extracting, and Drilling); Low Boys; Pumps Over 3" (1 To 3  
 not to exceed a total of 300 ft); Pumps, Well Points;  
 Welding Machines (2 through 5); Winches, 4 Small Electric  
 Drill Winches; Bobcat (up to and including 3/4 cu yd)

GROUP 4 - Bobcats and/or other Skid Steer Loaders; Brick  
 Forklifts; Oilers

\*-Requires Oiler

\* ENGI0150-025 06/01/2006

	Rates	Fringes
Power equipment operators:		
GROUP 1.....	\$ 39.75	15.05
GROUP 2.....	\$ 39.20	15.05
GROUP 3.....	\$ 37.15	15.05
GROUP 4.....	\$ 35.75	15.05
GROUP 5.....	\$ 34.55	15.05

POWER EQUIPMENT OPERATORS CLASSIFICATIONS

GROUP 1: Asphalt Plant\*; Asphalt Heater and Planer  
 combination; Asphalt Heater Scarfire\*, Asphalt Spreader;  
 Autograder/ GOMACO or similar; ABG Paver\*, Backhoes with  
 Caisson attachment\*, Ballast Regulator, Belt Loader\*; Caisson  
 Rigs\*Car Dumper, Central Redi-Mix Plant\*, Combination  
 Backhoe; Front End Loader Machine (1 cu yd or over Backhoe  
 bucket or with attachments); Concrete Breaker (truck  
 mounted); Concrete Conveyor; Concrete Paver over 27E cu ft\*;  
 Concrete Placer\*; Concrete Tube Float; Cranes, all  
 attachments\*; Cranes, Hammerhead, Linden, Peco and machines  
 of a like nature\*; Creter Crane; Crusher, stone; All  
 Derricks; Derrick Boats; Derricks, traveling\*; Dowell  
 Machine with Air Compressor (\$1.00 above Class 1);  
 Dredges\*; Field Mechanic Welder; Formless Curb and Gutter  
 Machine\*; Gradall and machines of a like nature\*; Grader,  
 Elevating; Grader, Motor Grader, Motor Patrol, Auto Patrol,  
 Form Grader, Pull Grader, Subgrader; Guard Rail Post Driver  
 mounted\*; Hoists, one, two, and three Drum; Hydraulic  
 Backhoes\*; Backhoes with Shear attachments\*; Mucking  
 Machine; Pile Drivers and Skid Rig\*; Pre-Stress Machine;

Pump Cretes Dual Ram (requires frequent lubrication and water)\*; Rock Drill- Crawler or Skid Rig\*; Rock Drill truck mounted\*; Rock/ Track Tamper; Roto Mill Grinder, (36" and over)\*; Slip-Form Paver\*; Soil Test Drill Rig, truck mounted\*; Straddle Buggies; Hydraulic Telescoping Form (tunnel); Tractor Drawn Belt Loader\*; Tractor Drawn Belt Loader with attached Pusher(two engineers); Tractor with boom; Tractaire with attachment; Traffic Barrier Transfer Machine\*; Trenching Machine; Truck Mounted Concrete Pump with boom\*; Underground Boring and/or Mining Machines 5 ft in diameter and over tunnel, etc.\*; Wheel Excavator\* & Widener (Apsco); Raised or Blind Hoe Drill, Tunnel & Shaft\*

GROUP 2: Batch Plant\*; Bituminous Mixer; Boiler and Throttle Valve; Bulldozer; Car Loader Trailing Conveyors; Combination Backhoe Front End Loader Machine, (less than 1 cu yd Backhoe Bucket with attachments); Compressor and Throttle Valve; Compressor, common receiver (3); Concrete Breaker or Hydro Hammer; Concrete Grinding Machine; Concrete Mixer or Paver 7S series to and including 27 cu ft; Concrete Spreader; Concrete Curing Machine; Burlap Machine; Belting Machine and Sealing Machine; Concrete Wheel Saw; Conveyor Muck Cars (Haglund or similar type); Drills (all); Finishing Machine-Concrete; Greaser Engineer; Highlift Shovels or Front End Loader; Hoist- Sewer Dragging Machine; Hydraulic Boom Trucks, all attachments; Hydro-Blaster (requires two operators); Laser Screed\*; Locomotives, Dinky; Off-Road Hauling Units (including articulating); Pump Cretes; Squeeze Cretes-Screw Type pumps, Gypsum Bulker and Pump; Roller Asphalt; Rotary Snow Plows; Rototiller, Seaman, self-Propelled; Scoops-Tractor Drawn; Self- propelled Compactor; Spreader-Chip-Stone; Scraper; Scraper-Prime Mover in Tandem regardless of size (add \$1.00 to Group 2 hourly rate for each hour and for each machine attached thereto add \$1.00 to Group 2 hourly rate for each hour); Tank Car Heater; Tractors, Push, pulling Sheeps Foot, Disc, or Compactor, etc; Tug Boats

GROUP 3: Boilers; Brooms, all power propelled; Cement Supply Tender; Compressor, Common Receiver (2); Concrete Mixer, two bag and over; Conveyor, Portable; Farm type Tractors used for mowing, seeding, etc; Fireman on Boilers; Forklift Trucks; Grouting Machines; Hoists, Automatic; Hoists, all Elevators; Hoists, Tugger single Drum; Jeep Diggers; Low Boys; Pipe Jacking Machines; Post-hole Digger; Power Saw, Concrete, Power Driven; Pug Mills; Rollers, other than asphalt; Seed and Straw Blower; Steam Generators; Stump Machine; Winch Trucks with A-Frame; Work Boats; Tamper-Form motor driven

GROUP 4: Air compressor - Small 250 and under (1 to 5 not to exceed a total of 300 ft); Air Compressor - Large over 250; Combination - Small Equipment Operator; Directional Boring Machine; Generators - Small 50 kw and under; Generators - Large , over 50 kw; Heaters, Mechanical; Hydraulic power unit (Pile Driving, Extracting or Drilling); Light Plants (1 to 5); Pumps, over 3" (1 to 3, not to exceed a total of

300 ft); Pumps, Well Points; Tractaire; Welding Machines (2 through 5); Winches, 4 small electric drill winches;

GROUP 5: Bobcats (All); Brick Forklifts; Oilers; Directional Boring

\*-Requires Oiler

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IRON0001-026 06/01/2007

	Rates	Fringes
Ironworker (Structural and Reinforcing).....	\$ 39.25	22.99

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IRON0063-001 06/01/2004

	Rates	Fringes
Ironworker, Ornamental.....	\$ 32.30	17.09

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\* IRON0063-002 06/01/2007

	Rates	Fringes
Ironworker		
Fence Erector.....	\$ 28.64	14.07
Metal Fence Erector.....	\$ 22.54	12.04

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IRON0136-001 07/01/2002

	Rates	Fringes
Ironworker		
Machinery Movers & Riggers..	\$ 23.65	17.42
Master Riggers.....	\$ 25.40	17.42

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LABO0002-006 06/01/2004

	Rates	Fringes
Laborers:		
LABORERS (BUILDING & RESIDENTIAL) :		
GROUP 1.....	\$ 29.00	9.97
GROUP 2.....	\$ 28.90	9.97
GROUP 3.....	\$ 29.075	9.97
GROUP 4.....	\$ 29.10	9.97
GROUP 5.....	\$ 29.15	9.97
GROUP 6.....	\$ 29.20	9.97
GROUP 7.....	\$ 29.225	9.97
GROUP 8.....	\$ 29.325	9.97
GROUP 9.....	\$ 29.35	9.97
GROUP 10.....	\$ 29.45	9.97
GROUP 11.....	\$ 29.575	9.97
GROUP 12.....	\$ 29.65	9.97

LABORERS CLASSIFICATIONS (BUILDING & RESIDENTIAL)

GROUP 1: Building Laborers; Plasterer Tenders; Pumps for Dewatering; and other unclassified laborers.

GROUP 2: Fireproofing and Fire Shop laborers.

GROUP 3: Cement Gun.

GROUP 4: Chimney over 40 ft.; Scaffold Laborers.

GROUP 5: Cement Gun Nozzle Laborers (Gunitite); Windlass and capstan person.

GROUP 6: Stone Derrickmen & Handlers.

GROUP 7: Jackhammermen; Power driven concrete saws; and other power tools.

GROUP 8: Firebrick & Boiler Laborers.

GROUP 9: Chimney on fire brick; Caisson diggers; & Well Point System men.

GROUP 10: Boiler Setter Plastic Laborers.

GROUP 11: Jackhammermen on fire brick work only.

GROUP 12: Dosimeter use (any device) monitoring nuclear exposure); Asbestos Abatement Laborer; Toxic and Hazardous Waste Removal Laborers.

LABO0002-007 06/01/2004

	Rates	Fringes
Laborers:		
LABORERS (HEAVY AND HIGHWAY):		
GROUP 1.....	\$ 29.00	9.97
GROUP 2.....	\$ 29.075	9.97
GROUP 3.....	\$ 29.15	9.97
GROUP 4.....	\$ 29.275	9.97
GROUP 5.....	\$ 29.655	9.97

LABORERS CLASSIFICATIONS

GROUP 1: Common laborer; Tenders; Material expeditor (asphalt plant); Street paving, Grade separation, sidewalk, curb & gutter, strippers & All laborers not otherwise mentioned

GROUP 2: Asphalt tampers & smoothers; Cement gun laborers

GROUP 3: Cement Gun Nozzle (laborers)  
Gunitite

GROUP 4: Rakers, Lutemen; Machine-Screwmen; Kettlemen; Mixermen; Drun-men; Jackhammermen (asphalt); Paintmen; Mitre box spreaders; Laborers on birch, overman and similar spreader equipment; Laborers on APSCO; Laborers on air compressor; Paving Form Setter; Jackhammermen (concrete); Power drive concrete saws; other power tools.

GROUP 5: Asbestos Abatement Laborers; Toxic and Hazardous Waste Removal Laborers, Dosimeter (any device) monitoring nuclear exposure

LABO0002-008 06/01/2002

	Rates	Fringes
Laborers: (COMPRESSED AIR)		
0 - 15 POUNDS.....	\$ 29.00	6.67
16 - 20 POUNDS.....	\$ 30.50	6.67
21 - 26 POUNDS.....	\$ 31.00	6.67
27 - 33 POUNDS.....	\$ 32.00	6.67
34 - AND OVER.....	\$ 33.00	6.67

LABORERS CLASSIFICATIONS (TUNNEL)

GROUP 1: Cage tenders; Dumpmen; Flagmen; Signalmen; Top laborers.

GROUP 2: Air hoist operator; Key board operator; concrete laborer; Grout; Lock tenders (Free Air Side); Steel setters; Tuggers; Switchmen; Car pusher

GROUP 3: Concrete repairmen; Lock tenders (pressure side); Mortar men; Muckers; Grout machine operators; Track layers

GROUP 4: Air trac drill operator; Miner; Bricklayer tenders; Concrete blower operator; Drillers; Dynamiters; Erector operator; Form men; Jackhammermen; Powerpac; Mining machine operators; Mucking machine operator; Laser beam operator; Liner plate and ring setters; Shield drivers; Power knife operator; Welder- burners; Pipe jacking machine operator; skimmers; Maintenance technician.

GROUP 5: Asbestos abatement laborer; Toxic and hazardous waste removal laborer; Dosimeter (any device) monitoring nuclear exposure.

LABORERS CLASSIFICATIONS (SEWER)

GROUP 1: Signalmen; Top laborers and All other laborers

GROUP 2: Concrete laborers and Steel setters

GROUP 3: Cement carriers; Cement mixers; Concrete repairmen; Mortar men; Scaffold men; Second Bottom men

GROUP 4: Air trac drill operator; Bottom men; Bracers-bracing; Bricklayer tenders; Catch basin diggers;

Drainlayers; dynamiters; Form men; Jackhammermen; Powerpac;  
Pipelayers; Rodders; Welder-burners; Well point systems men

GROUP 5: Asbestos abatement laborer, Toxic and hazardous  
waste removal laborer; Dosimeter (any device) monitoring  
nuclear exposure

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LABO0225-001 06/01/2002

	Rates	Fringes
Laborers:		
(DEMOLITION/WRECKING)		
TOTAL DEMOLITION or dismatling of buildings and all structures in their entirety Burners, Wallmen, Power Tool and Equipment Operator.....\$ 22.70		
		6.67
Total Demolition Laborer...\$ 22.20		6.67

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MARB0025-001 06/01/2006

	Rates	Fringes
Tile Finisher.....	\$ 28.52	11.51

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MARB0067-001 06/01/2006

	Rates	Fringes
Tile Setter.....	\$ 34.60	12.84

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MARB0067-002 06/01/2006

	Rates	Fringes
Terrazzo Worker.....	\$ 33.65	14.39

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MARB0087-001 06/01/2006

	Rates	Fringes
Marble Finisher.....	\$ 26.73	14.86

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PAIN0014-001 06/01/2007

	Rates	Fringes
Painter,		
Drywall Taper.....	\$ 34.40	14.49
Painter, Brush, Decorator, and Paperhanger.....	\$ 34.40	14.52

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PAIN0014-004 06/01/2007

	Rates	Fringes
Painter, Brush.....	\$ 34.40	14.52
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PAIN0027-001 06/01/2006		

	Rates	Fringes
Glazier.....	\$ 33.00	17.49
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PLAS0005-002 06/01/2006		

	Rates	Fringes
Plasterer.....	\$ 33.85	14.65
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PLAS0502-001 06/01/2007		

	Rates	Fringes
Cement Mason.....	\$ 39.85	14.18
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PLUM0130-001 06/01/2006		

	Rates	Fringes
Plumber.....	\$ 39.70	13.72
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PLUM0597-002 06/01/2007		

	Rates	Fringes
Pipefitter.....	\$ 40.00	17.33
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ROOF0011-001 12/01/2006		

	Rates	Fringes
Roofer.....	\$ 33.65	10.10
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SFIL0281-001 06/01/2007		

	Rates	Fringes
Sprinkler Fitter.....	\$ 40.50	15.90
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SHEE0073-001 01/01/2007		

	Rates	Fringes
Sheet Metal Worker.....	\$ 36.96	17.42
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SHEE0073-002 01/01/2007		

	Rates	Fringes
Sheet Metal Worker		

ALUMINUM GUTTER WORK.....\$ 24.03 17.42

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TEAM0731-001 06/01/2004

	Rates	Fringes
Truck Driver		
2 & 3 Axles.....	\$ 28.05	7.81 +A+B
4 Axles.....	\$ 28.30	7.81 +A+B
5 Axles.....	\$ 28.50	7.81 +A+B
6 Axles.....	\$ 28.70	7.81 +A+B

FOOTNOTES FOR TRUCK DRIVERS (HEAVY & HIGHWAY):

A. Paid Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

B. 900 straight time hours or more in 1 calendar year for the same employer shall receive 1 week paid vacation; 3 years - 2 weeks paid vacation; 10 years - 3 weeks paid vacation; 20 years - 4 weeks paid vacation.

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TEAM0731-002 06/01/2002

	Rates	Fringes
Truck Driver (DEMOLITION)		
2 OR 3 Axles.....	\$ 25.90	7.00
4 Axles.....	\$ 26.15	7.00
5 Axles.....	\$ 26.35	7.00
6 Axles.....	\$ 26.55	7.00

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TEAM0731-003 05/01/1997

	Rates	Fringes
Traffic Control Device Monitor		
TRAFFIC SAFETY WORKERS:		
Traffic Safety Worker		
primary duties include but		
are not limited to the		
delivery, maintenance and		
pick-up of traffic control		
devices, the set-up and		
installation of traffic		
signs, pavement markings,		
barricades, crash barrels		
and glare screens, and		
traffic control		
surveillance, the repair		
and maintenance of the		
company's trucks, cars,		
arrow boards, message		
signs, barricade and sign		
fabrication equipment.....	\$ 16.15	108.75/wk+a

FOOTNOTE a:

1. The following paid holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day provided the employee has earned a vacation the previous year or have worked thirty-one days in the current year before the holiday, or have seniority as stated herein; work the scheduled work day before and the scheduled day after the holiday; work one day in the holiday week; and work one scheduled work day after the holiday.

2. Paid vacation is earned the first year of employment, but may not be taken until after their first anniversary date. One and two years of employment receive 40 hours of paid vacation; Three thru nine years of employment receive 80 hours of paid vacation; Ten thru nineteen years of employment receive 120 hours of paid vacation; and Twenty years and over receive 160 hours of paid vacation.

3. Personal time (floating holidays) will be earned on a per hour worked basis. New employees will earn personal time during the first year of employment, but may not be take personal time until after their first anniversary date. Personal time is earned in the following way: One and two years receive 8 hours of personal time; Three thru nine years receive sixteen hours of personal time; and ten years and over receive twenty-four hours of personal time.

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TEAM0786-001 06/01/2004

	Rates	Fringes
Truck Driver		
2 & 3 Axles.....	\$ 27.625	d,e,f
4 Axles.....	\$ 27.875	d,e,f
5 Axles.....	\$ 28.075	d,e,f
6 Axles.....	\$ 28.625	d,e,f

FOOTNOTES FOR TRUCK DRIVERS (BUILDING & RESIDENTIAL):

d. \$327.00 per week.

e. Paid Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

f. 900 straight time hours or more in 1 calendar year for the same employer shall receive 1 week paid vacation; 3 years - 2 weeks paid vacation; 10 years - 3 weeks paid vacation; 20 years - 4 weeks paid vacation.

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.  
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Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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In the listing above, the "SU" designation means that rates listed under the identifier do not reflect collectively bargained wage and fringe benefit rates. Other designations indicate unions whose rates have been determined to be prevailing.

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#### WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material,

etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

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General Decision Number: IL070020 07/20/2007 IL20

Superseded General Decision Number: IL20030020

State: Illinois

Construction Types: Building Landscape, Heavy Landscape,  
Highway Landscape and Residential Landscape

BUILDING CONSTRUCTION (LANDSCAPE WORK):

Counties: Boone, Cook, De Kalb, Du Page, Grundy, Henry, Kane,  
Kankakee, Kendall, Lake, McHenry, McLean, Ogle, Peoria, Rock  
Island, Tazewell, Will, Winnebago and Woodford Counties in  
Illinois.

LANDSCAPING WORK ON BUILDING, RESIDENTIAL, HEAVY AND HIGHWAY  
CONSTRUCTION PROJECTS.

Modification Number	Publication Date
0	02/09/2007
1	06/29/2007
2	07/20/2007

ENGI0150-013 01/01/2007.

BUILDING AND HIGHWAY CONSTRUCTION (LANDSCAPE WORK): The  
landscape work for the Landscape Equipment Operator excludes  
the preparation of sub-grade prior to application of finish  
landscape materials and the utilization of any equipment over  
one cubic yard.

BOONE, COOK, DUPAGE, GRUNDY, KANE, KENDALL, LAKE, MCHENRY, AND  
WILL COUNTIES

Rates

Fringes

Landscape Worker (Includes  
Angle Dozer, Small; Bobcat  
and other similar type  
machines, 1 cu yd or less;  
Chipping Machine; Combination  
Backhoe and Front End Loader  
1 cu yd or less; Fork Lift  
Truck; Hi-Reach and  
High-Ranger; Hydraulic Boom  
with Clam; Log Skidder; Sttrow  
Blower and Seeder; Stump  
Machine; Tractors, Crawlers,  
Rubber Tire Tractors,  
Highlift Shovels or Front End  
Loaders 1 cu yd or less; Tree  
Spades, all; Utility Tractor

and attachments, and Rubber Tire Front End loader or similar machine of 1 to 1.5 cu yd solely used for placement of large decorative boulders, trees with balled soil, and other decorative landscape material too large to be accommodated in a 1 cu yd bucket. All other equipment utilized for performing landscape work, tree trimming or removal of stees, and to install plants; transport trees; excavate plant pits; place soil and other landscape materials; and apply finish landscape material on subgrade prepared by others).....\$ 21.65                    1.65+A+B+C

FOOTNOTE:

A. Health and Welfare contribution is \$810.00 per month effective January 1, 2007 and \$895.00 per month effective January 1, 2008.

B. Paid Holidays: New Year's Day; Memorial Day; Fourth of July; Labor Day; Thanksgiving Day; and Christmas Day are provided the employee if they work their regularly scheduled work day immediately preceding and the regularly work day immediately succeeding the occurrence of the holiday.

C. Paid Vacation: All employees who have been in the employ of the Employer for a full season of work shall be entitled to one (1) week of vacation with pay. Employees who have been paid for not less than twelve hundred (1200) straight time hours since their most recent anniversary date of hire at vacation time will be deemed to have worked one full season. All employees who have been in the employ of their Employer for three(3) or more consecutive full seasons of work shall at the conclusion of their current season be entitled to two (2) weeks of paid vacation. All employees who have been in the employ of their employer for nine (9) or more consecutive full seasons of work shall be entitled to three (3) weeks of paid vacation.

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 ENGI0150-023 01/01/2006

HIGHWAY CONSTRUCTION (LANDSCAPE WORK): The landscape work for the Landscape Equipment Operator excludes the preparation of sub-grade prior to application of finish landscape materials and the utilization of any equipment over one cubic yard.

HENRY, MCLEAN, OGLE, PEORIA, ROCK ISLAND, TAZEWELL, WINNEBAGO &

WOODFORD COUNTIES:

	Rates	Fringes
Laborer: Landscape Equipment Operator		
Includes the following:		
Angle Dozer, Small; Bobcat and other similar type machines, 1 cu yd or less; Chipping Machine; Combination Backhoe and Front End Loader 1 cu yd or less; Fork Lift Truck; Hi-Reach and High-Ranger; Hydraulic Boom with Clam; Log Skidder; Strow Blower and Seeder; Stump Machine; Tractors, Crawlers, Rubber Tire Tractors, Highlift Shovels or Front End Loaders 1 cu yd or less; Tree Spades, all; Utility Tractor and attachments, and Rubber Tire Front End loader or similar machine of 1 to 1.5 cu yd solely used for placement of large decorative boulders, trees with balled soil, and other decorative landscape material too large to be accommodated in a 1 cu yd bucket. All other equipment utilized for performing landscape work, tree trimming or removal of stees, and to install plants; transport trees; excavate plant pits; place soil and other landscape materials; and apply finish landscape material on subgrade prepared by others.....	\$ 20.55	1.35+A+B+C

FOOTNOTE:

- A. Health and Welfare contribution of 735.00 per month
- B. Paid Holidays: New Year's Day; Memorial Day; Fourth of July; Labor Day; Thanksgiving Day; and Christmas Day are provided the employee if they work their regularly scheduled work day immediately preceding and the regularly

work day immediately succeeding the occurrence of the holiday.

C. Paid Vacation: All employees who have been in the employ of the Employer for a full season of work shall be entitled to one (1) week of vacation with pay. Employees who have been paid for not less than twelve hundred (1200) straight time hours since their most recent anniversary date of hire at vacation time will be deemed to have worked one full season. All employees who have been in the employ of their employer for three (3) or more consecutive full seasons of work shall at the conclusion of their current season be entitled to two (2) weeks of paid vacation. All employees who have been in the employ of their employer for nine (9) or more consecutive full seasons of work shall be entitled to three (3) weeks of paid vacation.

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LABO0032-004 05/01/2007

HIGHWAY CONSTRUCTION:

OGLE and WINNEBAGO COUNTIES

	Rates	Fringes
Landscape Laborer.....	\$ 24.34	16.65

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LABO0362-003 05/01/2007

HIGHWAY CONSTRUCTION

MCLEAN COUNTY

	Rates	Fringes
Landscape Laborer.....	\$ 25.65	12.47

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LABO0751-004 05/01/2007

HIGHWAY CONSTRUCTION

KANKAKEE COUNTY

	Rates	Fringes
Landscape Laborer.....	\$ 25.94	15.21

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LABO0852-004 05/01/2006

HIGHWAY CONSTRUCTION

ROCK ISLAND AND HENRY COUNTIES:

	Rates	Fringes
Landscape Laborer.....	\$ 21.94	12.79

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LABO0996-004 05/01/2007

HIGHWAY CONSTRUCTION

PEORIA, TAZEWELL, AND WOODFORD COUNTIES

	Rates	Fringes
Landscape Laborer.....	\$ 25.57	12.55

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\* SUIL1993-001 01/19/1993

BUILDING CONSTRUCTION (LANDSCAPE WORK):

	Rates	Fringes
Laborers:		
BOONE, GRUNDY, KANE, KENDALL, LAKE, MCHENRY, & WILL COUNTIES		
LANDSCAPE LABORERS.....	\$ 7.14	
COOK COUNTY		
LANDSCAPE LABORERS.....	\$ 7.19	
LANDSCAPE PLANTSMAN.....	\$ 9.80	1.82
DE KALB COUNTY		
LANDSCAPE LABORERS.....	\$ 5.85	
LANDSCAPE OPERATORS.....	\$ 6.50	
LANDSCAPE PLANTSMAN.....	\$ 9.66	.26
DU PAGE COUNTY		
LANDSCAPE LABORERS.....	\$ 6.49	
LANDSCAPE PLANTSMAN.....	\$ 9.04	1.16
GRUNDY, LAKE & WILL COUNTIES		
LANDSCAPE DRIVER 2 & 3 Axles.....		
	\$ 11.86	2.81
LANDSCAPE PLANTSMAN.....	\$ 12.00	3.32

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\* SUIL1993-002 01/19/1993

HEAVY CONSTRUCTION (LANDSCAPE WORK)

	Rates	Fringes
Laborers:		
BOONE, GRUNDY, KANE, KENDALL, LAKE, MCHENRY & WILL COUNTIES:		
LANDSCAPE DRIVER, 2 & 3 AXLES.....		
	\$ 11.94	2.42
LANDSCAPE LABORERS.....	\$ 6.96	
LANDSCAPE OPERATORS.....	\$ 13.11	3.01
LANDSCAPE PLANTSMAN.....	\$ 9.73	2.05
COOK COUNTY:		
LANDSCAPE DRIVER, 2 & 3 AXLES.....		
	\$ 9.93	1.89
LANDSCAPE LABORERS.....	\$ 6.41	
LANDSCAPE OPERATORS.....	\$ 10.98	2.12

LANDSCAPE PLANTSMAN.....	\$ 10.08	2.06
DE KALB COUNTY:		
LANDSCAPE LABORERS.....	\$ 5.85	
LANDSCAPE OPERATORS.....	\$ 6.50	
LANDSCAPE PLANTSMAN.....	\$ 9.66	.26
DU PAGE COUNTY:		
LANDSCAPE DRIVER, 2 & 3		
AXLES.....	\$ 8.32	1.02
LANDSCAPE LABORERS.....	\$ 6.01	
LANDSCAPE OPERATORS.....	\$ 10.75	
LANDSCAPE PLANTSMAN.....	\$ 10.65	

\* SUIL1993-003 01/19/1993

HIGHWAY CONSTRUCTION (LANDSCAPE WORK):

	Rates	Fringes
Laborers:		
DE KALB COUNTY		
LANDSCAPE LABORERS.....	\$ 5.85	
LANDSCAPE OPERATORS.....	\$ 6.50	
LANDSCAPE PLANTSMAN.....	\$ 9.66	.26
KANKAKEE COUNTY:		
LANDSCAPE DRIVER.....	\$ 8.75	.17
LANDSCAPE OPERATOR.....	\$ 16.57	3.56
PEORIA, TAZEWELL, &		
WOODFORD COUNTIES:		
TRUCK DRIVERS 2 & 3 AXLES..	\$ 17.58	5.88

TEAM0179-003 06/01/2002

HIGHWAY CONSTRUCTION:

MCLEAN COUNTY:

	Rates	Fringes
Truck Driver		
2-3 AXLES.....	\$ 27.55	a
4 AXLES.....	\$ 27.70	a
5 AXLES.....	\$ 27.90	a
6 AXLES.....	\$ 28.10	a

FOOTNOTE: a. \$296.00 per week

TEAM0179-004 06/01/2002

HIGHWAY CONSTRUCTION:

OGLE & WINNEBAGO COUNTIES

	Rates	Fringes
Truck Driver		
2-3 AXLES.....	\$ 27.55	a
4 AXLES.....	\$ 27.70	a

5 AXLES.....	\$ 27.90	a
6 AXLES.....	\$ 28.10	a

FOOTNOTE: a-\$296.00 per week.

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 TEAM0703-001 12/01/1993

HIGHWAY CONSTRUCTION (LANDSCAPE WORK):

	Rates	Fringes
Laborers:		
BOOKE, KANE, KENDALL &		
MCHENRY COUNTIES		

BUILDING CONSTRUCTION  
 (LANDSCAPE WORK):  
 Landscape Plantsman.....\$ 10.38  
 BOONE, COOK, DUPAGE,  
 GRUNDY, KANE, KENDALL,  
 LAKE, MCHENRY, & WILL  
 COUNTIES

HIGHWAY CONSTRUCTION  
 (LANDSCAPE WORK):  
 Landscape Laborers.....\$ 6.00  
 Landscape Plantsman.....\$ 10.38  
 Landscape Truck Driver-2  
 Axle.....\$ 11.43                   A  
 Landscape Truck Driver-3  
 Axle.....\$ 11.88                   A  
 COOK & DUPAGE COUNTIES

BUILDING CONSTRUCTION  
 (LANDSCAPE WORK):  
 Landscape Truck Driver-2  
 Axle.....\$ 11.43                   A  
 COOK & DUPAGE COUNTIES

BUILDING CONSTRUCTION  
 (LANDSCAPE WORK):  
 Landscape Truck Driver-3  
 Axle.....\$ 11.88                   A

FOOTNOTE

A. Health and Welfare contribution of \$264.35 per month. All employees who have been employed 30 days or more shall receive the following paid holidays: New Year's Day,

Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. All employees who have been employed for a full season and who have not worked less than 1200 hours shall be entitled to one week of vacation pay.

Employees who have worked 3 or more consecutive full seasons and worked at least 1200 hours per season, shall be entitled to 2 weeks of vacation pay.

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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In the listing above, the "SU" designation means that rates listed under the identifier do not reflect collectively bargained wage and fringe benefit rates. Other designations indicate unions whose rates have been determined to be prevailing.

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#### WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

**LABOR STANDARDS DEPOSIT AGREEMENT**

see attached

<b>Labor Standards Deposit Agreement</b>	<b>U.S. Department of Housing and Urban Development Office of Labor Relations</b>
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<b>Date:</b>	<b>Project No:</b>
	<b>Project Name:</b> \

In order to induce the Department of Housing and Urban Development (HUD) to provide or complete the program assistance associated with this project while issues remain outstanding in connection with amounts that may be due as wages under the Davis-Bacon and Related Acts and/or as liquidated damages under the Contract Work Hours and Safety Standards Act, the undersigned (*Depositor*) submits confirmation of deposit, by electronic funds transfer, to the account specified by HUD in the amount of \$

*Depositor* agrees that this deposit is made shall be held by HUD for the purpose(s) and disposition(s) as indicated, below, and as indicated on the attached Schedule for Deposit: (HUD Labor Relations staff: Check boxes, below, as applicable to deposit.)

<input type="checkbox"/>	1. Where there is no dispute as to the amount of unpaid wages due but <i>without awaiting receipt of evidence that the workers named on the attached Schedule have received the wages due them</i> , in the respective amounts listed on the Schedule for Deposit;
<input type="checkbox"/>	2. Where HUD or the U.S. Department of Labor (DOL) has reason to believe that there may be unpaid wages due for work performed in the construction of the project but <i>without awaiting an administrative determination of the wages which may be due and unpaid</i> by employers named on the attached Schedule in the respective amounts estimated by HUD or DOL and listed on the Schedule for Deposit;
<input type="checkbox"/>	3. Where HUD or DOL has made its determination of wages due but <i>without awaiting the outcome of an appeal which has been filed or is to be filed with HUD or DOL</i> by or on behalf of the <i>Depositor</i> , the principal contractor, subcontractor, other employer involved contesting the finding of HUD or DOL that wages for work performed in the construction of the project are due and unpaid to the workers named on the attached Schedule in respective amounts listed on the Schedule for Deposit; and/or
<input type="checkbox"/>	4. Where <i>liquidated damages</i> have been calculated and/or assessed for overtime violations of the Contract Work Hours and Safety Standards Act, as reflected on the attached Schedule for Deposit.

**Disposition of Deposit Account**

Items 1 through 4: In all cases involving unpaid wages ultimately found due, wage payments will be made directly to the affected workers by the responsible employer or the *Depositor*, or by HUD from the funds submitted herewith. If the wages are paid to the affected workers by the responsible employer or the *Depositor*, a refund equal to the amount(s) paid shall be made to the *Depositor* as wage payment evidence, in the form of a certified payroll report(s), is provided to HUD. HUD will retain on behalf of affected employees any amount(s) deposited for wages found due that are not paid by the responsible employer or *Depositor*, and will also retain any liquidated damages that are assessed.

Where items 2, 3, and/or 4 have been checked, when the amount of unpaid wages has been finally determined by HUD or DOL, funds sufficient to pay the total gross amount of wages and any liquidated damages computed and/or assessed for overtime violations, as applicable, shall be held by HUD and the balance of the funds deposited, if any, shall be returned to the *Depositor*. If the final HUD or DOL determination and/or liquidated damages assessment is appealed, when the appellant and HUD or DOL have agreed on any amounts due or have exhausted any rights of appeal, funds sufficient to pay the total gross amount of the wages and any liquidated damages found due by the highest authority which has ruled in the matter shall be held by HUD, and the balance of the funds deposited, if any, shall be returned to the *Depositor*.

<b>Depositor:</b>	<b>Street Address:</b>
<b>By: (signature)</b>	<b>City, State, Zip Code:</b>
<b>Name and Title:</b>	<b>Telephone Number:</b> 0
<b>Depositor Tax ID Number (required to process refund):</b> 0	<b>Deposit Ticket Number:</b> LR-      -DT-      -
Schedule for Deposit (attached)	

**RENAISSANCE PLACE APARTMENTS  
REDEVELOPMENT AGREEMENT**

**EXHIBIT F**

**PERMITTED LIENS**

1. Liens or encumbrances against the Property:

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

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

**RENAISSANCE PLACE APARTMENTS  
REDEVELOPMENT AGREEMENT**

**EXHIBIT G**

**PROJECT BUDGET**

Acquisition	\$	65,656
Construction/Environmental		7,040,315
Professional Fees		643,818
Construction Period Costs		487,455
Tenant Relocation		166,500
Lender / Bond Fees		394,000
Marketing & Leasing		75,000
Developer Fee*		793,229
Reserves		597,045
Interest Costs		504,245
Total		<u>\$10,767,263</u>

\*Excludes deferred fee of \$196,771 paid from cash flow.

**RENAISSANCE PLACE APARTMENTS  
REDEVELOPMENT AGREEMENT**

**EXHIBIT H**

**REQUISITION FORM**

[Not attached for the purposes of recording.]

**RENAISSANCE PLACE APARTMENTS  
REDEVELOPMENT AGREEMENT**

**EXHIBIT I**

**APPROVED PRIOR EXPENDITURES**

Acquisition	\$65,656
Professional Fees	260,225
Tenant Relocation	13,600
Lender/ Bond Fees	<u>1,250</u>
 Total	 \$340,731

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